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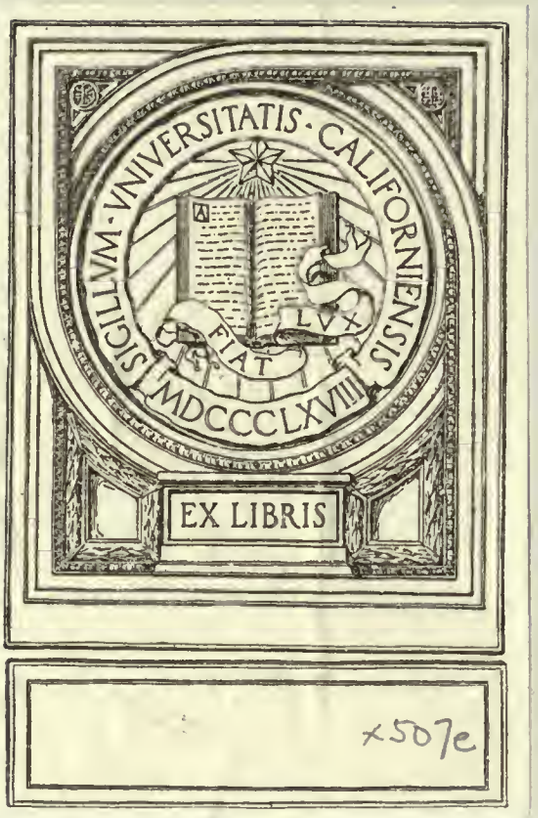
MANN'S AGRICULTURAL BOOKKEEPING INSTRUCTOR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MANN'S AGRICULTURAL BOOKKEEPING INSTRUCTOR

Designed for Self-Instruction and School Room Use

BY

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GALENA, OHIO

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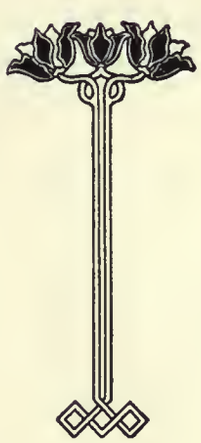

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PREFACE

THE object in presenting this volume to the farmer and student of agriculture, is to teach the important points of theory and practice of bookkeeping to such an extent, that it may be possible to keep a record of business transactions in such a way, that by an examination of the books the true condition of the business may be known at once.

Since farming has become a science, the successful farmer has become, both a scientific and business man.

It is just as important for a farmer to keep a record of his business transactions as it is for any other business man.

After making a careful study of the several systems of bookkeeping, we have failed to find a system that meets the requirements of the man who is engaged in general farming. This fact has prompted the author to present to the modern farmer a system of keeping farm accounts that will meet his requirements and at the same time eliminate the unnecessary technicalities of bookkeeping which he will never use in keeping farm accounts. For this reason we have employed transactions in this set of books that will be familiar to the ordinary farmer and at the same time be such that they will illustrate the fundamental principles of bookkeeping.

We have also endeavored to make the system as simple as possible and yet so complete that it will meet the requirements of any one who is engaged in general or specialized farming.

For the farmer who is engaged in the mercantile business, such as selling fence, fertilizer, farm implements, etc., we have employed transactions that will show how such entries should be made.

It is not necessary to be a college graduate in order to be able to master this system. Indeed it has been our foremost aim to put the work in such a way that anyone possessing a moderate education will be able to master it without difficulty.

By studying the definitions and rules, by inspecting carefully the entries made in the journal and ledger, and by followingthe instructions for making such entries, no difficulty should be experienced in recording transactions and making entries of the same in a satisfactory manner. Of course it will be necessary to use judgment in comparing the transactions made in this book with actual transactions which you will make.

The transactions used in this set of instructions are real transactions taken from our own books, which cover a period of ten years.

We have been engaged in both general and specialized farming and stock raising, also have handled several lines of merchandise during the period from which these transactions have been taken. We have taken great care to select all of the different kinds of transactions that a farmer is likely to make.

We have long felt the need of a system of keeping farm accounts which would be complete, yet simple enough that a man possessing a moderate education and a little good common sense would be able to keep a record of his business transactions in an intelligent manner. This fact has prompted the author to put this book before the public. Our greatest desire is that it will meet the desired requirements and that it will be a help to the farmers in keeping a record of their business.

Preliminary Remarks

To the Farmer:

In presenting this book to the farmer we feel that we must make some introductory remarks. First we wish to impress upon you the importance of keeping a record of your business transactions. It is both interesting and beneficial to know just what your income and expenses are. Many farmers have paid the same bill twice because they failed to keep a record of their business. The larger part of many estates have been consumed by lawyer's fees and court expenses because the deceased, while living, failed to keep a record of his business in a businesslike way.

This system is not as complicated as it may at first appear. You are not expected to master the whole system at once. In fact it may never be necessary for you to master it all.

In this system we have endeavored to employ transactions that will cover every phase of farm business, taken from a commercial standpoint. We do not expect that any one farmer will make all of the transactions recorded in this book, but in order to cover the needs of all farmers it has been necessary to use a large variety of transactions.

It is not necessary for you to study this system for several months before commencing to keep your own accounts. In fact you can begin the day you receive this book. However, it will be necessary for you to give it some study and you should devote a few hours looking it over before you attempt to keep your own accounts. It is best to read the definitions, rules, and instructions a few times and look over the book enough to become familiar with it, then you are ready to begin keeping books for yourself. The instructions are so arranged that you have to learn to record but one transaction at a time. You may learn to make one or two to-day and perhaps another tomorrw, that depends entirely upon the number of transactions you actually make.

The **Journal** is the principal book that you will use. You will very seldom use the **Ledger** unless your business is very extensive. The majority of your entries will be in the journal, only. In case you do any business on credit it will be necessary to open personal accounts in the ledger.

It is not necessary to use the Farm Record Book at all. The transactions can be recorded in the journal at once. The average farmer will not make more than two or three transactions each day, and it will require but a few minutes each evening to make the entries in the journal. The Farm Record Book is used when you make several transactions and wish to write them down until you have a chance to record them in the journal. Any cheap tablet or paper pad will do for this purpose.

When you wish to record a transaction in the journal, turn to The Farm Record Book and find a transaction like the one you wish to record, then look in the journal and se how that transaction was recorded, and record your transaction in the same way. In the explanations to entries in the journal and ledger we have referred to the rule governing each entry. It is best to look up the rules referred to.

If you wish to take an inventory at the time you begin bookkeeping, turn to the first part of the "**Farm Record Book**" and sce how the Author has taken the inventory, then proceed to take yours in the same way, and then turn to the first page of the **Journal** and see how the Author has made the entries for the inventory, and then make your entries in the same way.

To the Teacher:

When the book is used in the school room, the pupils should be required to learn the definitions and rules and study the explanations before attempting to make any entries. Each pupil should have blank paper ruled the same as the journal and ledger. Begin with the inventory and have the pupils make the same entries that are made in this journal. After the inventory has been disposed of take up each transaction. Have the pupil give the rule for each entry made. After the journal has been completed take up the ledger in the same way, beginning with the inventory and then each entry found in **Sundry Personal Account Column** in the **Journal**. After all of the entries have been disposed of close the accounts in the **Ledger**, referring to **Closing the Ledger**.

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How to Study This Book Without a Teacher

1st—Study the **Definitions.**

2nd—Study the **Rules for Making Debits and Credits.**

3rd—Study **Explanations to Columns in Journal.**

4th—Turn to the **Farm Record Book.** On the first page, will be found the inventory, taken Jan. 1st, 1911. Look over it carefully. Then turn to the first page of the **Journal** and see how the entries have been made. Use your own name instead of Proprietor, when you keep books for yourself.

5th—After the **Inventory** has been disposed of take up each transaction, noticing how each debit and credit has been made.

6th—Read the **Instructions for Making Debits and Credits in Journal, and How to Study This Journal.**

7th—In connection with each entry in the Journal, read **Explanation to Debits and Credits in Journal.** This gives the amount of each debit and credit and the rule governing the entry. It is well to read the rules referred to until you become familiar with them.

8th—We have given some explanations to some of the transactions. These explanations will be found under **Helpful Explanations to Some of the Most Difficult Transactions.** Consult this subject freely.

9th—After all of the transactions have been disposed of, study **Explanation of Ledger,** and **How to Post to the Ledger.**

10th—Every amount found in **Sundry Personal Account** column in the journal must be posted to the ledger.

11th—After all of the amounts have been posted to the ledger, study **Closing the Ledger.**

12th—When an amount is posted from the journal to the ledger, always place the journal page in J. P. column in the ledger, and place the ledger page in L. P. column in the journal. This is done for convenience in referring to a transaction from journal to ledger, or from ledger to journal.

A ledger is usually closed at the end of each year. It can be closed at any time the proprietor sees fit.

Definitions

1. **BOOKKEEPING** is the art of recording mercantile transactions in a regular and systematic manner, and keeping accounts of the same in such a way, that a man may know by an inspection of his books, the true condition of his business. There are two kinds of bookkeeping — Single Entry and Double Entry.

2. **SINGLE ENTRY BOOKKEEPINK** is the method by which the amount of a simple transaction is entered in only one account. Personal Accounts and Cash Account are the only accounts kept in this method.

3. **DOUBLE ENTRY BOOKKEEPING** is the method by which the amount of a simple transaction must be entered under at least two accounts. Once on the **Debit** side and once on the **Credit** side.

4. **BOOKKEEPER.** A bookkeeper is a person who has charge of keeping accounts. It is the duty of a bookkeeper to make a complete record of business transactions. This record consists of the date on which a transaction was made, a statement as to whether you bought or sold, the name of the person or persons of whom you bought or to whom sold, the terms on which you bought or sold, the name of the article or articles bought or sold, the number or amount of articles bought or sold, the price paid or received, and the whole amount of the bill.

5. **KEEPING FARM ACCOUNTS** is the act of recording business transactions made by a farmer.

6. **A FARM RECORD BOOK** is a book in which a farmer keeps a detailed description of his business transactions in the order of which they take place. This book corresponds to what some bookkeepers call a Blotter, Day Book, or Waste Book. A common tablet or blank book will answer the purpose very well.

7. **A JOURNAL** is a book in which Debits and Credits are arranged in convenient form to be posted to the Ledger.

8. **A LEDGER** is a book into which accounts are carried from a **Journal.**

9. **A BUSINESS TRANSACTION** is an action between at least two persons in exchanging values.

10. **AN ACCOUNT** is a collection of a particular kind or class of values in the form of Debits and Credits, the names of the persons to the transaction, date, and price of the article. An account has two sides—a **Debit Side** and a **Credit Side.** The **Debit** side is the Left Hand side. The **Credit** side is the right hand side.

11. **TO DEBIT AN ACCOUNT** is to place an amount on the **Left Hand Side** or **Debit Side** of the account.

12. **TO CREDIT AN ACCOUNT** is to place an amount on the **Credit Side** or **Right Hand Side** of the account.

13. **CASH.** By the term Cash, we mean currency, bank checks, bank drafts, money orders, certificates of deposit. &c.

14. **INTEREST** is a premium paid for the use of money.

15. **A BANK CHECK** is a written instrument authorizing a certain bank to pay a specified sum of money to a certain person. It is necessary for a person to make a deposit in a bank before issuing checks on that bank.

16. **FREIGHT** is a charge made for the transportation of goods, usually by railroads or ship.

17. **DRAYAGE** is a charge made for the transportation of goods, usually by team and wagon, or by motor truck. The difference between freight and drayage is that the former term is used by railroads and ship line companies, while the latter term is used by dray companies or by any one engaged in carrying goods short distances, such as from a depot to some place in the same town.

18. **DISCOUNT** is an allowance given for the payment of a bill on or before a specified time. For instance, some merchants sell goods on 20 or 30 days' time, but if paid before 10 days they will allow a discount of 1 per cent. When a note is paid before it is due, the holder will sometimes give a discount from the face of the note.

19. **A NOTE** is a person's written promise to a pay a certain sum of money at a specified time. Notes are Negotiable or Non-Negotiable.

20. **A NEGOTIABLE NOTE** is one that can be bought or sold. A Negotiable Note has the words (or order) or (or bearer) inserted after the name of the person to whom the money is to be paid. If (or order) is inserted, the holder of the note must sign his name on the back of the note before he parts with it. If (or bearer) is inserted, any one can present the note for payment.

21. **A NON-NEGOTIABLE NOTE** is one that can not be bought or sold.

22. **A CONTRACT** is an agreement between, at least two persons, in which each person binds himself to do some act, and each acquires a right to what the other promises.

23. **A BANK DEPOSIT** is money deposited in a bank for safekeeping until the depositor calls for it. Money deposited in a bank can be drawn out at any time. If the deposit is made subject to check, the depositor can issue checks on that bank until the amount of the checks issued equals the amount deposited.

24. **A CERTIFICATE OF DEPOSIT** is a written instrument, issued by a bank, certifying that a certain person has deposited a specified sum of money in that bank.

25. **A TIME CERTIFICATE OF DEPOSIT** is written for a specified length of time and usually bears interest.

26. **INSURANCE** is a contract by which one party engages for a certain amount, to pay a loss which another may sustain.

27. **FIRE INSURANCE** is a contract by which one party agrees, for a certain amount, to pay a specified sum to another person for damages done by fire or lightning.

28. **LIFE INSURANCE** is a contract by which one party agrees, for a certain amount, to pay a specified sum to another person at the death of a third person.

29. **A CORPORATION** is a society having the capacity of transacting business as one person.

30. **STOCK** is the money or goods employed in carrying on some enterprise, such as manufacturing, insurance companies, banking, oil and gas companies, &c. Stock is divided into shares.

31. **AN INVENTORY** is a written account of the particulars of articles with the value or price annexed.

32. **A DIVIDEND** is a part or share of the income earned by a company, divided among the stockholders of the company. Each stockholder receives a dividend in proportion to the number of shares of stock he owns.

33. **A REBATE** is a deduction from an amount given for a specified reason.

34. **A DRAFT** is an order from one person to another, demanding the payment of money to a third person. There are three persons mentioned in a draft. The Drawer, Drawee, and Payee.

35. **THE DRAWER** is the person who issues the draft.

36. **THE DRAWEE** is the person who is ordered to pay the draft.

37. **THE PAYEE** is the person to whom the draft is made payable.

38. **DRAFTS** are either Sight Drafts or Time Drafts.

39. **A SIGHT DRAFT** is one that must be paid when presented for payment to the **Drawee.**

40. **A TIME DRAFT** is one that is to be paid at some future specified time.

41. **AN ORDER** is a request from one person to another, requiring the payment of money to a third person. The difference between a **Draft** and an Order is that the former is a demand while the latter is a request.

42. **A POST OFFICE MONEY ORDER** is a money order issued by a Post Office.

43. **AN EXPRESS MONEY ORDER** is a money order issued by an Express Company.

44. **TO BUY ON ACCOUNT** is to buy on time or in other words to buy on credit.

45. **TO SELL ON ACCOUNT** is to sell on time or in other words to sell on credit.

46. **SUNDRY PERSONAL ACCOUNTS:** In this Account are kept the amounts of all **Personal Accounts.** In this **Set of Books** this account is kept in the **Journal.** All amounts found in this account are posted to the Ledger.

47. **EXPENSE ACCOUNT** is an account in which are kept all amounts paid out to carry on the business after the business is in progress. The amount invested in the business at the beginning is not put in **Expense Account.** In this set of books, **Expense Account** is kept in the **Journal.** The account is always **Debited** and never **Credited.**

48. **LABOR ACCOUNT** is an account under which are kept all amounts paid out for labor on the farm. In this set of books this account is kept in the **Journal.** This account is always **Debited** and never **Credited.** The amounts you receive for labor can be kept in **Income Account** or open a **Labor Account** in the ledger.

49. **INCOME ACCOUNT** is an account in which are kept all amounts received for articles sold from the farm and for services rendered to other persons. This account is kept in the **Journal.** All entries made in this account are **Credit** entries.

50. **CASH ACCOUNT** is an account in which are kept all amounts of Cash received or parted with. All amounts received are kept on the **Debit** or **Left Hand side.** All amounts paid out are kept on the **Credit** or **Right Hand** side. This account is kept in the **Journal.** Some bookkeepers keep their **Cash Account** in a **Cash Book,** while others keep it in a **Ledger.**

51. **A PROPRIETOR ACCOUNT** is an account in which is kept the value of all property, both Real and Personal, that the owner of a business furnishes to carry on that business; also all amounts the proprietor owes the business, such as notes outstanding, Personal Accounts payable, &c.

52. **A PERSONAL ACCOUNT** is an account in which are kept amounts another person owes you on account and the amounts you owe another person on account.

53. **A REAL ESTATE ACCOUNT** is an account in which is kept an account of all Real Estate owned by a proprietor.

54. **A BANK ACCOUNT** is an account in which are kept all the amounts deposited in a certain bank subject to check. Also the amounts of all checks drawn on that bank. All amounts deposited are kept on the **Debit** or Left Hand side, and the amounts of checks drawn are kept on the **Credit** or Right Hand side.

55. **INTEREST ACCOUNT** is an account in which are kept all amounts paid or received for the use of money.

56. **DISCOUNT ACCOUNT** is an account in which are kept all amounts paid or received for discounting bills or notes of any kind.

57. **LOSS AND GAIN ACCOUNT** is an account in which are kept all amounts of Losses or Gains sustained by a business. This account is **Debited** for all **Losses** and **Credited** for all **Gains** sustained. This account is kept in a **Ledger** and is not opened until the books are closed unless there is an unexpected **Loss** or **Gain,** in such a case the account is opened at the time the unexpected loss or gain is sustained.

58. **BILLS RECEIVABLE ACCOUNT** is an account in which are kept the amounts of other person's notes payable to you. This account is **Debited** when a note is received and **Credited** when it is parted with. It is also **Credited,** when partial payments are made, for the amount of the payment.

59. **BILLS PAYABLE ACCOUNT** is an account in which are kept the amounts of your notes, payable to other parties. This account is **Credited** when you issue a note. It is **Debited** when you redeem or pay your note. It is also **Debited** when you make a partial payment, for the amount of the payment.

60. **A SPECULATIVE ACCOUNT** is an account in which is kept a record of property, such as merchandise or any property that is bought and sold for speculation. In this set, Fence Account, Real Estate Account, and Equipment Account, are **Speculative Accounts.**

61. **EQUIPMENT ACCOUNT** is an account in which are kept the value of all equipment for carrying on the farm business. For instance, the value of machinery, live stock, farm products, household goods, &c., which you own when you open your books. Do not **Debit** or **Credit** this account for any of the above articles that are bought between the time of opening and closing the books. See Rule 35.

62. **MERCHANDISE** is any article that is bought and sold in trade, usually for the purpose of making a profit.

Rules for Making Debits and Credits

Cash Account

1. Debit Cash Account for the amount of cash on hand when books are opened.

2. Debit Cash Account when cash is received.

3. Credit Cash Account when cash is paid out or parted with.

4. Credit Cash Account for the amount of cash on hand when books are closed. (Only when this account is to be balanced.)

Real Estate Account

5. Debit Real Estate Account for the market value of all real estate owned when books are opened.

6. Debit Real Estate Account for the market value of all real estate of which you become the owner.

7. Credit Real Estate Account for the amount received for any real estate disposed of.

8. Credit Real Estate Account for market value of all real estate owned when books are closed.

Bills Receivable Account

9. Debit Bills Receivable Account for the amount of other persons' notes you own when books are opened.

10. Debit Bills Receivable Account when you receive another person's note.

11. Credit Bills Receivable Account when you part with another person's note.

12. Credit Bills Receivable Account when another person makes a partial payment on his note, for the amount of the payment. Never Credit this account for interest and never for more than the face of the note.

13. Credit Bills Receivable Account for the amount of all other persons' notes you own when books are closed, if you wish to balance the account.

Persons or Corporations

14. Debit Persons or Corporations for the amount they owe you when books are opened.

15. Debit Persons or Corporations when you furnish them values on account.

16. Debit Persons or Corporations when other persons furnish them values for you on account.

17. Debit Persons or Corporations when you furnish values to another person for them on account.

18. Debit Persons or Corporations when you receive another person's order on them.

Rules for Making Debits and Credits

19. Debit Persons or Corporations when their checks, drafts, or orders on other persons or corporations are dishonored and returned to you.

20. Credit Persons or Corporations for the amount you owe them on account when books are opened.

21. Credit Persons or Corporations when they furnish you values on account, and when they furnish other parties values for you on account.

22. Credit Persons or Corporations when you issue an order or check on them and when you part with orders on them.

23. Credit Persons or Corporations when you cancel what they owe you on account.

Bills Payable Account

24. Debit Bills Payable Account when you pay your notes outstanding.

25. Debit Bills Payable Account when you make a partial payment on your note outstanding, always for the amount of the payment.

26. Debit Bills Payable Account for the face of the notes you have outstanding at the time the books are closed, if the account is to be balanced.

27. Credit Bills Payable for the face of all notes you have outstanding when books are opened.

28. Credit Bills Payable Account when you issue a note.

Bank

29. Debit a bank for the amount you have in that bank, subject to check when books are opened.

30. Debit a bank when you make a deposit subject to check.

31. Debit a bank when another person makes a deposit in that bank in your favor, subject to check.

32. Credit a bank when you issue a check on that bank.

33. Credit a bank when that bank returns a worthless check to you, which you deposited subject to check.

34. Credit a bank for the amount you have in that bank subject to check when books are closed. (Only when this account is to be balanced.)

Expense Account

35. Debit Expense Account for all amounts paid for articles used to promote the farming business, such as labor, repairs, produce, live stock, machinery, groceries, tile, spraying materials, freight, grass seed, fruit trees, binder twine, butter, paint, coal, fence, postage stamps, stationery, telephone rent, fire and life insurance, newspapers, taxes, gifts, preacher's salary, baling hay, hauling milk, shearing sheep, making cider, keeping of live stock owned by Companies, amounts invested in Stock Companies, &c.

Speculative Account

36. Debit a Speculative Account for the amount of merchandise on hand when invoice is taken at the opening of the books.

37. Debit a Speculative Account when freight is paid on merchandise.

38. Debit a Speculative Account when merchandise is received.

39. Debit a Speculative Account when drayage is paid on merchandise.

40. Debit a Speculative Account when labor is required in caring for merchandise or in case of contract work when labor is required.

41. Debit a Speculative Account when you give a rebate to a customer who has bought merchandise.

42. Credit a Speculative Account when merchandise is parted with.

43. Credit a Speculative Account for the value of merchandise on hand when books are closed.

Discount Account

44. Debit Discount Account when you give a discount to another person.

45. Credit Discount Account when you receive a discount from another person.

Interest Account

46. Debit Interest Account when you pay interest to another person.

47. Credit Interest Account when you receive interest from another person.

Labor Account

48. Debit Labor Account for all values given to laborers for doing general farm work, such as raising and taking care of crops, caring for live stock, doing repair work on the farm, and housework. Such items as filing saws, baling hay, shoeing horses, hauling milk to the creamery, threshing grain and grass seed, making cider, &c., should not be put in Labor Account, but in Expense Account only.

Income Account

49. Credit Income Account when articles are sold from the farm.

50. Credit Income Account when you receive values for rendering services to other persons.

51. Credit Income Account when you receive a dividend from some Stock Company in which you own stock.

Equipment Account

52. Debit Equipment Account for the value of the machinery, live stock, hay, grain, seed, household goods, &c., you have on hand when books are opened.

53. Credit Equipment Account for the value of articles mentioned in rule 52, which you have on hand when books are closed.

Proprietor Account

54. Debit Proprietor Account for the amount the Proprietor owes when the books are opened, and value of property owned when books are closed.

55. Credit Proprietor Account for the value of all the property the Proprietor puts into the business when the books are opened, and for the amount of his debts when books are closed.

Loss and Gain Account

56. Debit Loss and Gain Account when an unexpected loss is sustained.

57. Debit Loss and Gain Account for losses sustained by a Speculative Account.

58. Credit Loss and Gain Account when a Speculative Account shows a Credit Balance when the books are closed.

59. Credit Loss and Gain Account when an unexpected gain is received.

Farm Record Book

Inventory, Jan. 1st, 1911.

On opening my books Jan. 1st, 1911, my Inventory is as follows:

Cash on hand		$ 1,000 00
I own 150 acres of land worth $80.00 per acre		12,000 00
I have a Note on Albert Monroe for		80 00
Ralph Taylor owes me, on account		100 00
Andrew Hamlin owes me, on account		10 00
I have on hand 800 bushels of Corn @ 50c per bushel	$ 400 00	
100 shocks Corn @ 75c per shock	75 00	
600 shocks Fodder @ 10c per shock	60 00	
20 tons Timothy Hay @ $12.00 per ton	240 00	
5 tons Mixed Hay @ $11.00 per ton	55 00	
5 tons Clover Hay @ $10.00 per ton	50 00	
200 bushels Wheat @ $1.00 per bushel	200 00	
200 bushels Oats @ 40c per bushel	80 00	
5 bushels Clover Seed @ $8.00 per bushel	40 00	
4 bushels Timothy Seed @ $3.00 per bushel	12 00	
40 bushels Potatoes, $1.00 per bushel	40 00	
6 Horses @ $150 00	900 00	
1 share in Percheron Horse Co.	200 00	
8 Cattle @ $35.00	280 00	
5 Hogs @ $25.00 each	125 00	
20 Hogs @ $10.00 each	200 00	
40 Sheep @ $4.00 each	160 00	
100 Chickens @ 30c each	30 00	
1 Grain Drill worth	50 00	
1 Self-Binder worth	30 00	
1 Hay Loader worth	50 00	
1 Side-Delivery Rake worth	35 00	
1 Hay Tedder worth	15 00	
1 Mowing Machine worth	20 00	
2 Breaking Plows @ $10.00	20 00	
1 Disc Harrow worth	15 00	
1 Spring Tooth Harrow worth	10 00	
		$ 3,392 00
Proprietor's investment		16,582 00
I owe Frank Adams, on account		$ 50 00
Note, outstanding, favor T. A. Hood, dated Dec. 31st, 1910, due in 2 years and bearing interest at 6% per annum		100 00
Proprietor's debts		$ 150 00

Jan. 1st—Deposited in Danville Bank, subject to check, cash, $600.00.

Jan. 3rd—Paid James Baker, for groceries, cash, $2.00.

Jan. 7th—Sold Charles Jefferson, 2 bushels clover seed @ $8.00 per bushel, $16.00, received his check on Riverside Bank, $16.00.

Jan. 9th—Sold John Madison, on account, 20 lbs. beef @ 5c per pound, $1.00.

Jan. 11th—Bought of The Shelby Clay Co., on account, 100 rod 4-inch tile @ 25c per rod and 50 rod 6-inch tile @ 30c per rod, $40.00.

Jan. 13th—Frank Adams paid The Shelby Clay Co., for me, on account, cash, $5.00.

Jan. 15th—Albert Monroe paid his note by giving me his certificate of deposit on Albany Bank, $80.00.

Jan. 17th—Drew check on Danvile Bank, favor Lewis Jackson, to pay lodge dues for Luke Harrison, on account, $5.00.

Jan. 19th—Bought of The Ohio Fence Co., as follows, terms 2-20-60: One set fence stretchers, $10.00; 500 rod 11-48 fence, @ 40c per rod; 300 rod 10-46 fence, @ 35c per road; 100 rod 20-60 fence, @ 50c per rod; 100 rod 16-48 fence @ 45c per rod; $410.00.

Jan. 21st—Deposited in Danvile Bank, subject to check, Albert Monroe's Certificate of Deposit on Albany Bank, $80.00.

Jan. 23rd—Paid cash for money order to send to Jupiter Farmer for advertising my Thoroughbred Poland China Hogs, six months, $10.00.

Jan. 25th—Paid Henry Tyler (freight agent) for freight on fence, cash, $12.00.

Jan. 27th—Gilbert Polk hauled one load of fence from Danville for me; he charged $4.80; he took 10 rod 16-48 fence, @ 48c per rod, $4.80.

Feb. 1st—Ralph Taylor paid his account in full by giving me his check on Green's Bank, $100.00.

Feb. 3rd—Deposited in Danville Bank, subject to check, Ralph Taylor's check on Green's Bank, $100.00; Charles Jefferson's check on Riverside Bank, $16.00; $116.00.

Feb. 5th—Drew check on Danville Bank favor Noah Fillmore for one ton coal, for the M. E. Church, on account, $3.00.

Feb. 7th—Paid Ohio Fence Co. for invoice dated 1-19-11; face of invoice $410.00; 2 per cent discount on face of invoice $8.20; sent them my check on Danville Bank, $401.80.

Feb. 9th—Sold C. Z. Hess of Lancaster, Penn., one Thoroughbred Poland China Hog; received N. Y. Draft, $35.00.

Feb. 11th—Paid Peter Pierce for 500 letterheads $2.00, 250 envelopes $2.00; $4.00.

Feb. 12—Bought of David Lincoln, on my note for 8 months at 6 per cent interest per annum, 100 sheep @ $4.00 per head, $400.00.

Feb. 15th—Sold Jacob Jackson, on account, 100 bushels wheat @ 80c per bushel, $80.00.

Feb. 20th—Sold Cyrus Grant, 200 bushels corn @ 75c per bushel, $150.00; received his check on Danville Bank, $150.00.

Feb. 22nd—Gave Noah Hayes my check on Danville Bank for cash, $20.00.

Feb. 25th—Sold Joseph Garfield, on account, 200 rod 11-48 fence @ 43c per rod, $86.00.

March 1st—Joseph Garfield deposited cash in Danville Bank, my favor, on account, $50.00.

March 3rd—Paid Oliver Arthur cash for helping butcher, $1.00.

Mareh 5th—Paid Levi Cleveland cash for filing saws, $1.00.

March 8th—Paid Grace Burr cash for doing housework, 2 weeks @ $2.00 per week, $4.00.

Mareh 12th—Received of Jacob Jackson, on account, cash, $50.00; his check on Albany Bank, $30.00; $80.00.

March 15th—Paid John Clinton cash for Lime Sulpur Solution, 20 gallons @ 35c per gallon, $7.00.

March 18th—Bought of David King, for cash, 2 bushels Timothy Seed @ $4.00 per bushel; 1 bushel Clover Seed, $10.00; $18.00. I did not have any cash with me so I gave him the check for $150.00 on Albany Bank which Cyrus Grant gave me, and he gave me $132.00 in cash for change.

Mareh 20th — Robert Marshall worked for me one day; I gave him for his labor, 1 bushel Potatoes, worth $1.00.

March 25th—Paid Springfield Nursery cash for 50 Peach Trees @ 20c each, $10.00.

March 28th—Bough of Ohio Supply Co., one box Prunes; paid cash for Express Money Order to send as payment for the Prunes, $4.00.

April 1st—Paid Henry Tyler (freight agent) cash for freight on 20 gallons Lime-Sulfur Solution shipped from Silver Lakes, O., to Kilbuck, O., $1.00.

April 3rd—Gave Philip Clay my check on Danville Bank for my share of keeping Company Horse for one year, $15.00.

April 5th—Paid Bell Telephone Co. cash for three months' box rent, $3.00; tolls, $1.00; $4.00.

April 9th—Sold Joseph Clayton, for cash, 50 bushels Oats @ 30e per bushel, $15.00; 100 rod 10-46 fence @ 38c per rod, $38.00; $53.00.

April 13th—Oscar Black paid me for pasturing 5 Colts, 2 months, @ $1.00 per month for each Colt; he gave me cash, $3.00; his check on Green's Bank, $7.00; $10.00.

April 15th—Paid Levi Fish, cash, for shoeing horses, $2.00.

April 17th—Sold Herbert Blaine, 100 rod 11-48 fence @ 43c per rod, $43.00; 100 rod 10-46 fence @ 38c per rod, $38.00; 50 rod 20-60 fence @ 53c per rod, $26.50; 50 rod 16-48 fence @ 48c per rod, $24.00; $131.50. Received his check on Danville Bank, $131.50.

April 21st — Deposited in Danville Bank, subject to check, C. Z. Hess's N. Y. Draft, $35.00; Jacob Johnson's check, $30.00; Oscar Black's check, $7.00; Herbert Blaine's check, $131.50; $203.50.

May 1st—Having decided that I had more money in Danville Bank, subject to check, than was necessary to carry on my business, I drew a check on Danville Bank in favor of Danville Bank for $500.00 and received a Time Certificate of Deposit, bearing interest at the rate of 4 per cent per annum.

May 2nd—Drew check on Danville Bank, favor Hiram Wheeler, to pay for one suit of clothes for Frank Adams, on account, $30.00.

May 5th — Paid Edwin Wilson cash for shearing 50 head of Sheep @ 8c per head, $4.00.

May 9th—Joseph Garfield returned 50 rod 11-48 fence @ 43c per rod, $21.50.

May 12th — Andrew Hamlin gave me his check on Albany Bank, on account, $10.00.

May 15th—Sold King Bros. 100 rod 10-46 fence @ 43c per rod erected, $43.00; received his check on Danville Bank, $43.00. I paid L. Kile cash for helping me erect his fence, $2.00.

May 17th—Jacob Jackson baled hay for me, on account, 15 tons @ $2.00 per ton, $30.00.

May 21st—Sold Wm. Allen 15 tons Hay @ $20.00 per ton; received his check on Albany Bank, $300.00.

May 25th — Deposited in Danville Bank, subject to check, Andrew Hamlin's check, $10.00; King Bros'. check, $43.00; Wm. Allen's check, $300.00; cash (currency), $200.00; $553.00.

June 1st—Bought of Gilbert Polk, on account, 100 lbs. Binder Twine @ 8c per lb., $8.00.

June 3rd—Drew check on Danville Bank, favor Danville Bank, for Cash, $50.00.

June 5th—My Creamery Statement for June is as follows: 1000 lbs. Milk, average test, 5 per cent; amount of Butter, 50 lbs., price per lb. 30c. Butter used during month, $5.00; paid for hauling Milk, $1.00.

June 7th—I let T. D. Anderson have Cash, without note or interest, $100.00.

June 12th—I stored 100 bushel Wheat in New York Milling Co.; I am to receive 40 lbs. flour for every bushel of Wheat stored. Wheat is worth $1.00 per bushel. Flour is worth 2½ cents per lb. I brought 1000 lbs. Flour home.

June 16th—Sold 1 Hog to C. A. Arnold on his note for 6 months @ 10 per cent interest, per annum, $25.00.

June 25th—The check which Andrew Hamlin gave me, May 12th, was returned on account of no funds; $10.00.

July 1st—Paid Joseph Bacon Cash for insuring $2800.00 worth of Buildings, Live Stock, and Grain, against damage by Fire or Lightning, @ 1 per cent for a term of three years; $28.00.

July 3rd — Bought of John Clinton, for Cash, 5 gallons Paint @ $2.00 per gallon, $10.00.

July 6th—Paid Dr. Bailey, Cash, for rendering medical services to Jacob Jackson, on account, $30.00.

July 10th—D. E. Baker worked for me one day on account, $2.00.

July 20th — I returned Andrew Hamlin's Check to him; he gave me Cash, $10.00.

July 25th—Bought of Noah Fillmore 10 ton Coal @ $2.50 per ton. I let him have 50 bushel Corn @ 50c per bushel, $25.00.

July 26th—Bought of J. D. Balboa for my Order on Luke Harrison, 10 bushel Oats @ 40c per bushel, $4.00.

July 27th—Sold W. B. Barton for his Check on Danville Bank, 1 Veal Calf, $10.00.

July 28th—H. R. Boone gave me Cash for the Check which I received from W. B. Barton, $10.00.

Aug. 1st—Mrs. B. C. Bragg cleaned house for me 5 days @ $1.00 per day, $5.00; I paid her Cash, $4.00, and let her have 1 bushel Onions worth $1.00; $5.00.

Aug. 6th—Drew Check on Danville Bank, favor S. P. Brown, for threshing 400 bushels Wheat @ 4c per bushel, $16.00; 500 bushers Oats @ 2c per bushel, $10.00; 25 bushels Timothy Seed @ 20c per bushel, $5.00; $31.00.

Aug. 8th—I bought 2 shares of Galena Oil & Gas Stock @ $50.00 per share, $100.00; I paid Cash, $10.00; the rest to be paid on demand.

Aug. 15th—Joseph Garfield came to settle in full for the fence which he bought of men on account; he said the fence was not as represented so I gave him a Rebate of $2.00; he gave me Cash, $12.50.

Aug. 18th—The Galena Oil & Gas Co. called on its Stockholders to pay 50 per cent of the Stock subscribed. In my case that would be $50.00; I gave Cash, $50.00.

Aug. 20th—Sold D. C. Bryant for his Order on J. C. Buell, 50 rod 11-48 Fence @ 38c per rod, $19.00.

Sept. 1st—Sold to B. F. Cabot for his Check on Arlington Bank, 20 Fat Hogs, total weight 4000 lbs., @ 6c per lb.; $240.00.

Sept. 5th—Bought of Universal Roofing Co., for my Check on Danville Bank, 20 squares Roofing @ $3.00 per square; $60.00.

Sept. 10th—Paid Oliver Arthur cash for cutting Corn, 200 shocks @ 5c per shock, $10.00.

Sept. 15th — Paid H. G. Conway Cash for making two barrels Cider @ 50c per barrel, $1.00.

Sept. 18th—U. C. Davis rented my Grain Drill to sow 40 acres Wheat @ 25c per acre,

$10.00; he paid me by giving me a Calf worth $10.00.

Sept. 25th—I traded Calves with W. B. Barton. He gave me $5.00 Cash, for my Calf was worth $5.00 more than his.

Sept. 27th — Deposited in Danville Bank, subject to Check, B. F. Cabot's Check, $240.00.

Sept. 28th—Paid Frank Adams Cash on account, $10.00.

Sept. 30th—An attempt was made to burglarize the Danville Bank on the night of Sept. 25th. A reward was offered for the capture of the guilty party. I succeeded in capturing the guilty person and the Danville Bank credited my account for $300.00.

Oct. 1st—I hired H. O. Franklin to work for me one month for $25.00.

Oct. 1st—I, being a little suspicious in reference to the Financial Standing of the Danville Bank, decided to draw some of my money out of that Bank. I drew a check on Danville Bank in favor of Danville Bank; the Cashier gave me cash $500.00. I deposited cash in People's Bank and received a Certificate of Deposit, bearing 4 per cent interest per annum, $500.00.

Oct. 3rd—I paid on Preacher's Salary, Cash, $10.00, gave him 10 bushels Corn worth 50c per bushel, $5.00; $15.00.

Oct. 4th—Let H. O. Franklin have, on account, 200 lbs. Flour @ 2½c per lb., $5.00.

Oct. 5th—Sold Edward Early, for Cash, 10 head Cattle for $200.00.

Oct. 10th—Paid H. O. Franklin, Cash, on account, $10.00.

Oct. 12th—My note for $400.00, given Feb. 12th, 1911, bearing interest at the rate of 6 per cent per annum, in favor of David Lincoln, falls due to-day. I paid him Cash $100.00, gave him my Check on Danville Bank, $300.00; $400.00. I credited his Account for the interest, which was $16.00.

Oct. 18th — Paid H. G. Conway Cash for hulling 20 bushels Clover Seed @ $1.00 per bushel, $20.00.

Oct. 20th—Some one broke into my Smokehouse and stole meat worth $5.00.

Oct. 21st—Paid Dr. Baily cash for Medical Treatment rendered to H. O. Franklin, $5.00.

Oct. 31st—I gave H. O. Franklin credit for one month's labor, $25.00.

Oct. 31st—Paid H. O. Franklin Cash in full on account, $5.00.

Nov. 1st—I received cash for driving one day for an agent who was selling machinery for The International Harvester Co., $3.00.

Nov. 5th—Paid The Practical Farmer cash for one year's subscription, $1.00.

Nov. 10th—Sold C. B. Fremont for Cash, 10 bushels Clover Seed @ $10.00 per bushel, $100.00.

Nov. 15th—I used fence on my Farm, 100 rods 11-48 fence @ 43c per rod, $43.00.

Nov. 20th — Borrowed of John Durling on my note due one year from date without interest, $100.00.

Nov. 25th — I bought for Cash, a note of $100.00 drawn by T. P. Gage in favor of C. A. Gates; received Discount, $5.00.

Nov. 26th—Bought of Peter Pinder one Hog for $19.00; gave him the Order, which I have, drawn by D. C. Bryant, on J. C. Buell, $19.00.

Nov. 28th — Sold at Green's Grocery 20 dozen Eggs @ 20c per dozen, $4.00; took the whole amount in Groceries, $4.00.

Nov. 29th—Some one stole 10 rods 16-48 fence worth 45c per rod, $4.50.

Nov. 30th—I sold the $500.00 Certificate of Deposit, which I hold on The People's Bank, to Henry Wilson for $495.00, which is $5.00 less than the face of the Certificate. The Accrued Interest on this Certificate of Deposit is $3.33, making a Discount of $8.33.

Dec. 1st—Oliver Arthur baled Hay for me, 20 tons @ $1.75 per ton; $35.00. I let him have one Hog worth $20.00, gave him Check on Danville Bank, $10.00, and gave him Cash, $3.00, leaving balance on account $2.00.

Dec. 5th—I decided to cancel the account which I have against The M. E. Church, $3.00.

Dec. 10th—I had to pay Peter Hanover's Note on which I was Security. The face of the note is $75.00. I paid Cash.

Dec. 16th—C. A. Arnold paid Cash for his Note which was given June 16th, 1911; face of note is $25.00; interest, $1.25; $26.25.

Dec. 20th—Drew Check on Danville Bank favor Treasurer of Delaware County to pay Taxes, $150.00.

Dec. 25th—Sold L. Moss for his Check on Green's Bank, 10 tons hay @ $18.00 per ton, $180.00.

Dec. 25th—Paid Cash for a Christmas present for L. O. Goodman, $5.00.

Dec. 26th—Received Cash of Philip Clay,

my share of Dividend on Percheron Horse Co. Stock, $30.00.

Dec. 28th — Bought of J. C. Henry, 200 bushels Corn @ 50c per bushel, $100.00; paid him with Note which I bought, made in favor of C. A. Gates; $100.00.

Dec. 31st — Prepaid my Note favor T. A. Hood and received 5 per cent Discount on face of Note. Face of Note, $100.00; Interest, $6.00; Discount, $5.00; paid Cash, $101.00.

Dec. 31st—Gave Frank Adams, Cash, on Account, $10.00.

Dec. 31st — Sold 8 dozen Eggs at Jones' Grocery @ 25c per dozen, received $1.00 cash, and groceries amounting to $1.00.

Dec. 31st—Sold 5 pounds of Butter to the huxter @ 20c per pound, took groceries amounting to $2.00, and paid cash $1.00.

Helpful Explanations to Some of the Most Difficult Transactions

In this set of transactions **Cash Account** is debited or credited for Cash in all of its forms. See Definition 13. But when we say "Cash received or paid out" we mean Currency. If Cash in any of its other forms is received or parted with, they are also designated.

In making debits and credits in the Journal for the inventory taken Jan. 1st, 1911, debit Cash, Real Estate, Bills Receivable, Ralph Taylor, Andrew Hamlin and Equipment Accounts, because those persons and accounts owes the Proprietor the respective amounts for which they are debited. Credit Proprietor for $16,582.00 because that is his investment. Debit Proprietor for $150.00 because he owes that amount when the books are opened. Credit Frank Adams for $50.00 because the Proprietor owes him that amount. Credit Bills Payable for $100.00 because the Proprietor has a note outstanding for that amount.

Jan. 15th—Debit Cash because a Certificate of Deposit is considered Cash. See Def. 13.

Jan. 17th—Lewis Jackson is the officer of the lodge to whom the dues were paid.

Jan. 19th—Aside from regular farm work, some farmers carry some line of mercantile business. For instance, some farmers sell commercial fertilizer, roofing, fence, &c. This transaction is used for the purpose of showing how to handle accounts of this kind. The term "2-20-60" means if the account is paid within 20 days from the date of the invoice, 2 per cent may be deducted from the face of the invoice. In case the purchaser does not take advantage of the cash discount, the bill becomes due in 60 days from the date of invoice, and the purchaser must pay the full amount of the invoice. There are several more transactions to follow which will help to show how this account is handled.

Jan. 25th—Fence Account is debited for the amount paid for transportation. All expenses of this nature are considered part of the cost price.

Jan. 27th—Debit Fence Account for all expenses for which the fence business is responsible.

Feb. 1st—Debit Cash because bank checks are considered Cash. See Def. 13.

Feb. 7th—The purchaser has taken advantage of the Cash Discount.

Feb. 9th—Cash is debited because this draft is considered Cash. It is payable at sight. A time draft would not be Cash. It would be a Bill Payable or Bill Receivable after it has been accepted.

Feb. 22nd—This transaction is often made by a person who has a Bank Account subject to check, but is in need of some currency and his location is such that it is not practical for him to go to the bank for it. It is only an act of courtesy of one person to another.

March 1st—Joseph Garfield owed me and instead of paying me, he deposited it in the bank in my favor.

March 3rd—Expense and Labor Accounts are each debited. See Rules 35 and 48.

March 5th—Debit Expense only, for this would not be general farm work.

March 8th—Housework should be handled the same as outside work, unless the proprietor wishes to keep it separate.

March 15th — Debit Expense because this material was used on the farm. If I had bought it to re-sell, I would have opened an account for Spraying Material.

April 3rd—You will notice by the invoice that I own some Percheron Horse Stock. This is what I have to pay towards keeping him.

May 1st—All Certificates of Deposit are considered Cash and are payable at the bank which issues them whenever presented. Banks do not generally pay interest on Time Certificates of Deposit if they are presented for payment before maturity.

May 15th—This transaction is divided and entered in the Journal as two transactions in order to simplify it.

June 3rd—This transaction shows how to get money on your Bank Account.

June 5th—For convenience this transaction is divided and entered in the Journal as two separate transactions.

June 7th—This is simply lending money on account.

June 12th—Many farmers store Wheat at a mill and get flour whenever they wish. Charge the mill for the value of wheat stored and credit it for the value of flour received. Some milling companies allow a certain amount of flour regardless of value.

June 25th — Andrew Hamlin overdrew his bank account, therefore he must be debited, and Danville Bank credited, because he was credited when he gave it to me, and the Danville Bank was debited when I deposited it.

July 20th—Andrew Hamlin redeemed his worthless check, therefore he should be credited.

July 26th—See definition 41.

July 28th—This transaction is a very common one. It does not necessarily need to be entered in the Journal, but it is best to do so in order to have a record of the disposal of the check.

Aug. 8th—When shares of stock in a stock company are subscribed for, the company issuing the stocks should be credited. Debit the company when payments are made on the subscription.

Aug. 20th—In this case J. C. Buel owed D. C. Bryant on account. D. C. Bryant paid me by giving me an order on J. C. Buell, therefore J. C. Buell became indebted to me.

Sept. 25th—This is simply a trade and I received $5.00 besides a Calf, therefore Income should be credited.

Oct. 1st—It is not necessary to make an entry, for it is only an agreement between H. O. Franklin and myself. He is debited when I furnish him values on account and he is credited at the end of the month for the amount he was to receive per month for his labor.

Oct. 1st—This transaction is divided and entered in the Journal as two separate transactions.

Oct. 12th—I decided to just pay the face of the Note and credit David Lincoln for the interest.

Oct. 20th—No entry need be made when goods are stole which have not been invoiced and charged to some speculative account.

Nov. 15th—Fence Account must be credited for the amount the fence would have sold for to another person.

Nov. 25th—It is customary to allow a discount for cashing a note before it is due.

Nov. 26th—This is the order I received from D. C. Bryant Aug. 20th.

Nov. 29th—Fence Account must be credited for the value of fence stolen, Rule 42, because it was charged to Fence Account when it was received.

Dec. 10th—It is poor policy to sign a Note as security. It has made many a rich man pennyless.

Explanations to Columns in Journal

1st—The first double column on the left hand side of the Journal is the **Date Column.** The **Year, Month** and **Day** on which a transaction is made should be kept in this column. Place the **Year** at the top of the column, the **Month** in the left hand side, and the **Day** in the right hand side.

2nd—The next large double column to the right of the **Date Column** is a column in which are kept the names of the accounts to be **Debited** or **Credited,** also the particulars in reference to the transaction. The names of the Accounts to be **Debited** or **Credited** should be placed at the extreme left hand side of the column. The particulars in reference to the transaction should never extend to the left of the fine verticle line that divides this column. The names of the accounts which are to be **Debited** should always be placed first. The names of the accounts which are to be **Credited** should be placed under the one that is **Debited** and the word (to) should precede the name of the account.

3rd—The next small column to the right of the above described is the **Folio Column.** In this column is kept the **Ledger Page** on which an account is found. The **Ledger** page is placed in this column when the account is posted to the **Ledger.** If the account that is to be Debited or Credited is one that is not to be posted to the Ledger, a mark (V) is made instead of a Ledger page.

4th—The next column to the right of the **Folio** Column is the **Sundry Personal Account Column.** In this column are placed all the amounts that are to be posted to the **Ledger** which would be all of the accounts that does not have a column in the **Journal.**

5th—The next column to the right of **Sundry Personal Account** Column is **Expense Account** Column. In this column are kept all the amounts paid for expenses in keeping up the farming business. See Rule 35.

6th—The next column to the right of **Expense Account** Column is **Labor Account** Column. In this column are kept all amounts paid for labor on the farm. See Rule 48.

7th—The next column to the right of **Labor Account** Column is **Income Account** Column. In this column are kept the amounts received for articles sold from the farm. See Rule 49, 50 and 51.

8th—The last double column to the right is **Cash Account** Column. The **Left Hand** side of this column is the **Debit Side.** All amounts of **Cash** received are kept on this side. The **Right Hand** side of this column is the **Credit Side.** All amounts of **Cash** parted with are kept on this side.

Instructions for Making Debits and Credits in Journal

All Credits and Debits are placed in Sundry Personal Accounts Column except Expense, Labor, Income and Cash Accounts. These four accounts are provided with columns in the Journal because transactions made by a farmer affect these accounts most frequently. This saves time and labor of posting to a Ledger. You can keep as many accounts in the Journal as you wish by adding more columns.

HOW TO STUDY THIS JOURNAL

First turn to the Farm Record Book and read the **Inventory,** and then turn to the Journal and notice **Carefully** how the entries are made; also read the explanation given and read the Rules referred to. When you **Thoroughly** understand the **Inventory,** study the first transaction, and so on until you have made a thorough study of the entire Journal. Pay no attention to the Ledger Page Column when making entries in the Journal.

When you open a set of books, compare your transactions with the ones in this set. Look for a transaction that is identical in principle with your own transactions, then make your entries the same as they are made in this Journal. While the transactions made by you will not be identical in words with the ones found in this set, they will be the same in principle. Great care has been taken to select transactions that will illustrate the underlying principles of bookkeeping and at the same time be familiar to the farmer who is engaged in general farming.

EXPLANATIONS TO DEBITS AND CREDITS IN JOURNAL

Jan. 1st—Debit Cash for $1000.00; see rule 1.
Debit Real Estate for $12,000.00; rule 5.
Debit Bills Receivable for $80.00; rule 9.
Debit Ralph Taylor for $100.00; rule 14.
Debit Andrew Hamlin for $10.00; Rule 14.
Debit Equipment for $3392.00; rule 52.
Credit Proprietor for $16,582.00; rule 55.
Debit Proprietor for $150.00; rule 54.
Credit Frank Adams for $50.00; rule 20.
Credit Bils Payable for $100.00; rule 27.

Jan. 1st—Debit Danville Bank for $600.00; rule 30.
Credit Cash for $600.00; rule 3.

Jan. 3rd—Debit Expense for $2.00; rule 35.
Credit Cash for $2.00; rule 3.

Jan. 7th—Debit Cash for $16.00; rule 2.
Credit Income for $16.00; rule 49.

Jan. 9th—Debit John Madison for $1.00; rule 15.
Credit Income for $1.00; rule 49.

Jan. 11th—Debit Expense for $40.00; rule 35.
Credit Shelby Clay Co. for $40.00; rule 21.

Jan. 13th—Debit Shelby Clay Co. for $5.00; rule 16.
Credit Frank Adams for $5.00; rule 21.

Jan. 15th—Debit Cash for $80.00; rule 2.
Credit Bills Receivable for $80.00; rule II.

Jan. 17th—Debit Luke Harrison for $5.00; rule 17.
Credit Danville Bank for $5.00; rule 32.

Jan. 19th—Debit Fence Account for $410.00; rule 38.
Credit Ohio Fence Co. for $410.00; rule 21.

Jan. 21st—Debit Danville Bank for $80.00; rule 30.
Credit Cash for $80.00; rule 3.

Jan. 23rd—Debit Expense for $10.00; rule 35.
Credit Cash for $10.00; rule 3.
Jan. 25th—Debit Fence Account for $12.00; rule 37.
Credit Cash for $12.00; rule 3.
Jan. 27th—Debit Fence Account for $4.80; rule 39.
Credit Fence Account for $4.80; rule 42.
Feb. 1st—Debit Cash for $100.00; rule 2.
Credit Ralph Taylor for $100.00; rule 21.
Feb. 3rd—Debit Danville Bank for $116.00; rule 30.
Credit Cash for $116.00; rule 3.
Feb. 5th—Debit M. E. Church for $3.00; rule 15.
Credit Danville Bank for $3.00; rule 32.
Feb. 7th—Debit Ohio Fence Co. for $410.00; rule 15.
Credit Danville Bank for $401.80; rule 32.
Credit Discount for $8.20; rule 45.
Feb. 9th—Debit Cash for $35.00; rule 2.
Credit Income for $35.00; rule 49.
Feb. 11th—Debit Expense for $4.00; rule 35.
Credit Cash for $4.00; rule 3.
Feb. 12th—Debit Expense for $400.00; rule 35.
Credit Bills Payable for $400.00; rule 28.
Feb. 15th—Debit Jacob Jackson for $80.00; rule 15.
Credit Income for $80.00; rule 49.
Feb. 20th—Debit Cash for $150.00; rule 2.
Credit Income for $150.00; rule 49.
Feb. 22nd—Debit Cash for $20.00; rule 2.
Credit Danville Bank for $20.00; rule 32.
Feb. 25th—Debit Joseph Garfield for $86.00; rule 15.
Credit Fence Account for $86.00; rule 42.
Mar. 1st—Debit Danville Bank for $50.00; rule 31.
Credit Joseph Garfield for $50.00; rule 21.
Mar. 3rd—Debit Expense and Labor, each for $1.00; rules 35 and 48.
Credit Cash for $1.00; rule 3.
Mar. 5th—Debit Expense for $1.00; rule 35.
Credit Cash for $1.00; rule 3.
Mar. 8th—Debit Expense and Labor, each, for $4.00; rules 35 and 48.
Credit Cash for $4.00; rule 3.
Mar. 12th—Debit Cash for $80.00; rule 2.
Credit Jacob Jackson for $80.00; rule 21.
Mar. 15th—Debit Expense for $7.00; rule 35.
Credit Cash for $7.00; rule 3.
Mar. 18th—Debit Expense for $18.00; rule 35.
Credit Cash for $18.00; rule 3.
Mar. 20th—Debit Expense and Labor, each, for $1.00; rules 35 and 48.
Credit Income for $1.00; rule 49.
Mar. 25th—Debit Expense for $10.00; rule 35.
Credit Cash for $10.00; rule 3.
Mar. 28th—Debit Expense for $4.00; rule 35.
Credit Cash for $4.00; rule 3.
April 1st—Debit Expense for $1.00; rule 35.
Credit Cash for $1.00; rule 3.
April 3rd—Debit Expense for $15.00; rule 35.
Credit Danville Bank for $15.00; rule 32.
April 5th—Debit Expense for $4.00; rule 35.
Credit Cash for $4.00; rule 3.
April 9th—Debit Cash for $53.00; rule 2.
Credit Income for $15.00; rule 49.
Credit Fence Account for $38.00; rule 42.
April 13th—Debit Cash for $10.00; rule 2.
Credit Income for $10.00; rule 49.
April 15th—Debit Expense for $2.00; rule 35.
Credit Cash for $2.00; rule 3.
April 17th—Debit Cash for $131.50; rule 2.
Credit Fence Account for $131.50; rule 42.
April 21st—Debit Danville Bank for $203.50; rule 30.
Credit Cash for $203.50; rule 3.
May 1st—Debit Cash for $500.00; rule 2.
Credit Danville Bank for $500.00; rule 32.

May 2nd—Debit Frank Adams for $30.00; rule 17.
Credit Danville Bank for $30.00; rule 32.
May 5th—Debit Expense and Labor, each, for $4.00; rules 35 and 48.
Credit Cash for $4.00; rule 3.
May 9th—Debit Fence Account for $21.50; rule 38.
Credit Joseph Garfield for $21.50; rule 21.
May 12th—Debit Cash for $10.00; rule 2.
Credit Andrew Hamlin for $10.00; rule 21.
May 15th—Debit Cash for $43.00; rule 2.
Credit Fence Account for $43.00; rule 42.
May 15th—Debit Fence Account for $2.00; rule 40.
Credit Cash for $2.00; rule 3.
May 17th—Debit Expense for $30.00; rule 35.
Credit Jacob Jackson for $30.00; rule 21.
May 21st—Debit Cash for $300.00; rule 2.
Credit Income for $300.00; rule 49.
May 25th—Debit Danville Bank for $553.00; rule 30.
Credit Cash for $553.00; rule 3.
June 1st—Debit Expense for $8.00; rule 35.
Credit Gilbert Polk for $8.00; rule 21.
June 3rd—Debit Cash for $50.00; rule 2.
Credit Danville Bank for $50.00; rule 32.
June 5th—Debit Cash for $10.00; rule 2.
Debit Expense for $5.00; rule 35.
Credit Income for $15.00; rule 49.
June 5th—Debit Expense for $1.00; rule 35.
Credit Cash for $1.00; rule 3.
June 7th—Debit T. D. Anderson for $100.00; rule 15.
Credit Cash for $100.00; rule 3.
June 12th—Debit New York Milling Co. for $100.00; rule 15.
Credit Income for $100.00; rule 49.
June 12th—Debit Expense for $25.00; rule 35.
Credit New York Milling Co. for $25.00; rule 21.
June 16th—Debit Bills Receivable for $25.00; rule 10.
Credit Income for $25.00; rule 49.
June 25th—Debit Andrew Hamlin for $10.00; rule 19.
Credit Danville Bank for $10.00; rule 33.
July 1st—Debit Expense for $28.00; rule 35.
Credit Cash for $28.00; rule 3.
July 3rd—Debit Expense for $10.00; rule 35.
Credit Cash for $10.00; rule 3.
July 6th—Debit Jacob Jackson for $30.00; rule 17.
Credit Cash for $30.00; rule 3.
July 10th—Debit Expense and Labor, each, for $2.00; rules 35 and 48.
Credit D. E. Baker for $2.00; rule 21.
July 20th—Debit Cash for $10.00; rule 2.
Credit Andrew Hamlin for $10.00; rule 21.
July 25th—Debit Expense for $25.00; rule 35.
Credit Income for $25.00; rule 49.
July 26th—Debit Expense for $4.00; rule 35.
Credit Luke Harrison for $4.00; rule 22.
July 27th—Debit Cash for $10.00; rule 2.
Credit Income for $10.00; rule 49.
July 28th—Debit Cash for $10.00; rule 2.
Credit Cash for $10.00; rule 3. It is not necessary to make any entries for this transaction, but it is best to do so in order to have a record to show how the check was disposed of.
Aug. 1st—Debit Expense and Labor, each, for $5.00; rules 35 and 48.
Credit Cash for $4.00; rule 3.
Credit Income for $1.00; rule 49.
Aug. 6th—Debit Expense for $31.00; rule 35.
Credit Danville Bank for $31.00; rule 32.
Aug. 8th—Debit Expense for $100.00; rule 35.
Credit Galena Oil & Gas Co. for $100.00; rule 21.
Aug. 8th—Debit Galena Oil & Gas Co. for $10.00; rule 15.
Credit Cash for $10.00; rule 3.
Aug. 15th—Debit Fence Account for $2.00; rule 41.
Debit Cash for $12.50; rule 2.
Credit Joseph Garfield for $14.50; rule 21.

Aug. 18th—Debit Galena Oil & Gas Co. for $50.00; rule 15.
Credit Cash for $50.00; rule 3.
Aug. 20th—Debit J. C. Buell for $19.00; rule 18.
Credit Fence Account for $19.00; rule 42.
Sept. 1st—Debit Cash for $240.00; rule 2.
Credit Income for $240.00; rule 49.
Sept. 5th—Debit Expense for $60.00; rule 35.
Credit Danville Bank for $60.00; rule 32.
Sept. 10th—Debit Expense and Labor, each, for $10.00; rules 35 and 48.
Credit Cash for $10.00; rule 3.
Sept. 15th—Debit Expense for $1.00; rule 35.
Credit Cash for $1.00; rule 3.
Sept. 18th—Debit Expense for $10.00; rule 35.
Credit Income for $10.00; rule 50.
Sept. 25th—Debit Cash for $5.00; rule 2.
Credit Income for $5.00; rule 49.
Sept. 27th—Debit Danville Bank for $240.00; rule 30.
Credit Cash for $240.00; rule 3.
Sept. 28th—Debit Frank Adams for $10.00; rule 15.
Credit Cash for $10.00; rule 3.
Sept. 30th—Debit Danville Bank for $300.00; rule 15.
Credit Income for $300.00; rule 50.
Oct. 1st—Debit Cash for $500.00; rule 2.
Credit Danville Bank for $500.00; rule 32.
Oct. 1st—Debit Cash for $500.00; rule 2.
Credit Cash for $500.00; rule 3.
Oct. 3rd—Debit Expense for $15.00; rule 35.
Credit Cash for $10.00; rule 3.
Credit Income for $5.00; rule 49.
Oct. 4th—Debit H. O. Franklin for $5.00; rule 15.
Credit Income for $5.00; rule 49.
Oct. 5th—Debit Cash for $200.00; rule 2.
Credit Income for $200.00; rule 49.
Oct. 10th—Debit H. O. Franklin for $10.00; rule 15.
Credit Cash for $10.00; rule 3.
Oct. 12th—Debit Bills Payable for $400.00; rule 24.
Credit Cash for $100; rule 3.
Credit Danville Bank for $300.00; rule 32.
Oct. 12th—Debit Interest Account for $16.00; rule 46.
Credit David Lincoln for $16.00; rule 21.
Oct. 18th—Debit Expense for $20.00; rule 35.
Credit Cash for $20.00; rule 3.
Oct. 20th—This transaction does not appear in the Journal because no entries are required.
Oct. 21st—Debit H. O. Franklin for $5.00; rule 17.
Credit Cash for $5.00; rule 3.
Oct. 31st—Debit Expense and Labor, each, for $25.00; rules 35 and 48.
Credit H. O. Franklin for $25.00; rule 21.
Oct. 31st—Debit H. O. Franklin for $5.00; rule 15.
Credit Cash for $5.00; rule 3.
Nov. 1st—Debit Cash for $3.00; rule 2.
Credit Income for $3.00; rule 50.
Nov. 5th—Debit Expense for $1.00; rule 35.
Credit Cash for $1.00; rule 3.
Nov. 10th—Debit Cash for $100.00; rule 2.
Credit Income for $100.00; rule 49.
Nov. 15th—Debit Expense for $43.00; rule 35.
Credit Fence Account for $43.00; rule 42.
Nov. 20th—Debit Cash for $100.00; rule 2.
Credit Bills Payable for $100.00; rule 28.
Nov. 25th—Debit Bills Receivable for $100.00; rule 10.
Credit Cash for $95.00; rule 3.
Credit Discount for $5.00; rule 45.
Nov. 26th—Debit Expense for $19.00; rule 35.
Credit J. C. Buell for $19.00; rule 22.
Nov. 28th—Debit Expense for $4.00; rule 35.
Credit Income for $4.00; rule 49.
Nov. 29th—Debit Loss & Gain Account for $4.50; rule 56.
Credit Fence Account for $4.50; rule 42.

Nov. 30th—Debit Cash for $495.00; rule 2.
Debit Discount for $8.33; rule 44.
Credit Cash for $500.00; rule 3.
Credit Interest Account for $3.33; rule 47.

Dec. 1st—Debit Expense for $35.00; rule 35.
Credit Income for $20.00; rule 49.
Credit Danville Bank for $10.00; rule 32.
Credit Cash for $3.00; rule 3.
Credit Oliver Arthur for $2.00; rule 21.

Dec. 5th—Debit Expense for $3.00; rule 35.
Credit M. E. Church for $3.00; rule 23.

Dec. 10th—Debit Loss & Gain Account for $75.00; rule 56.
Credit Cash for $75.00; rule 3.

Dec. 16th—Debit Cash for $26.25; rule 2.
Credit Bills Receivable for $25.00; rule 11.
Credit Interest Account for $1.25; rule 47.

Dec. 20th—Debit Expense for $150.00; rule 35.
Credit Danville Bank for $150.00; rule 32.

Dec. 25th—Debit Cash for $180.00; rule 2.
Credit Income for $180.00; rule 49.

Dec. 25th—Debit Expense for $5.00; rule 35.
Credit Cash for $5.00; rule 3.

Dec. 26th—Debit Cash for $30.00; rule 2.
Credit Income for $30.00; rule 51.

Dec. 28th—Debit Expense for $100.00; rule 35.
Credit Bills Receivable for $100.00; rule 11.

Dec. 31st—Debit Bills Payable for $100.00; rule 24.
Debit Interest for $6.00; rule 46.
Credit Discount for $5.00; rule 45.
Credit Cash for $101.00; rule 3.

Dec. 31st—Debit Frank Adams for $10.00; rule 15.
Credit Cash for $10.00; rule 3.

Dec. 31st—Debit Cash for $1.00; rule 2.
Debit Expense for $1.00; rule 35.
Credit Income for $2.00; rule 49.

Dec. 31st—Debit Expense for $2.00; rule 35.
Credit Cash for $1.00; rule 3.
Credit Income for $1.00; rule 49.

1911		January, 1911	L P C	Sundry Personal Accounts	Expense	Labor	Income	Cash Dr.	Cash Cr.
Jan.	1	Cash—Per Inventory	√					1000 00	
	1	Real Estate—Per Inventory	1	12000 00					
	1	Bills Receivable—Note on Albert							
	1	Monroe, Per Inventory	1	80 00					
	1	Ralph Taylor—He owes me on account	1	100 00					
	1	Andrew Hamlin—He owes me on account	2	10 00					
	1	Equipment—Live Stock, Farm Products, Implements and Household Goods	2	3392 00					
	1	To Proprietor — Investment	2	16582 00					
	1	Proprietor	2	150 00					
	1	To Frank Adams — I owe him on account	3	50 00					
	1	To Bills Payable—My note favor T. A. Hood, dated Dec. 31st, 1910, due in 2 years, bearing interest at 6% per annum	3	100 00					
	1	Danville Bank	4	600 00					
		To Cash — Deposited subject to check	√						600 00
	3	Expense			2 00				
		To Cash—Paid James Baker for groceries							2 00
	7	Cash — Check	√					16 00	
		To Income—Sold Charles Jefferson 2 bushels Clover Seed @ $8.00; received his check on Riverside Bank	√				16 00		
	9	John Madison	3	1 00					
		To Income—Sold him on account 20 lbs. Beef @ 5c	√				1 00		
	11	Expense	√		40 00				
		To Shelby Clay Co.—I bought on account, 100 rod 4-inch Tile @ 25c, $25.00; 50 rod 6-inch Tile @ 30c, $15.00	4	40 00					
					42 00		17 00	1016 00	602 00
								602 00	
		Cash on hand						414 00	

1911		January, 1911	L P C	Sundry Personal Accounts	Expense	Labor	Income	Cash Dr.	Cash Cr.
Jan.		Brought Forward			42 00		17 00	414 00	
	13	Shelby Clay Co.	4	5 00					
		To Frank Adams—He paid Shelby Clay Co., cash for me, on account	3	5 00					
	15	Cash—C. of D.	√					80 00	
		To Bills Receivable — Albert Monroe paid his note by giving me a Certificate of Deposit on Albany Bank	1	80 00					
	17	Luke Harrison	5	5 00					
		To Danville Bank—I drew check on Danville Bank, favor Lewis Jackson to pay lodge dues for Luke Harrison	4	5 00					
	19	Fence Account	6	410 00					
		To Ohio Fence Co. — I bought fence, on account, as follows, Terms, 2-20-60:							
		One set stretchers $ 10 00							
		500 rod 11-48 fence @ 40c 200 00							
		300 rod 10-46 fence @ 35c 105 00							
		100 rod 20-60 fence @ 50c 50 00							
		100 rod 16-48 fence @ 45c 45 00	6	410 00					
	21	Danville Bank	4	80 00					
		To Cash—Deposited Albert Monroe's C. of D. on Albany Bank subject to check	√						80 00
	23	Expense	√		10 00				
		To Cash—I bought money order to send The Jupiter Farmer for advertising my Thoroughbred Poland China Hogs for 6 months	√						10 00
					52 00		17 00	494 00	90 00
								90 00	
		Cash on hand						404 00	

1911		January, 1911	L P C	Sundry Personal Accounts	Expense	Labor	Income	Cash Dr.	Cash Cr.
Jan.		Brought Forward			52 00		17 00	404 00	
	25	Fence Account — Freight	6	12 00					
		To Cash—Paid Henry Tyler (freight agent) cash for freight on fence	√						12 00
	27	Fence Account — Drayage	6	4 80					
		To Fence Account—Gilbert Polk hauled one load of fence from Danville and I paid him with 10 rod 16-48 fence @ 48c	6	4 80					
Feb.	1	Cash — Check	√					100 00	
		To Ralph Taylor — He gave me his check on Green's Bank, on account	1	100 00					
	3	Danville Bank	4	116 00					
		To Cash—I deposited, subject to check, Ralph Taylor's Check on Green's Bank, $100 00 Charles Jefferson's Ch'k on Riverside bank 16.00	√						116 00
	5	M. E. Church—Coal	5	3 00					
		To Danville Bank—Drew check favor Noah Fillmore for one ton of coal for M. E. Church	4	3 00					
	7	Ohio Fence Co.	6	410 00					
		To Danville Bank	4	401 80					
		To Discount							
		Drew check favor Ohio Fence Co. to pay for invoice dated 1-19-11; face of Invoice $410 00							
		2% Discount 8 20							
		Amount of check 401 80	5	8 20					
	9	Cash—N. Y. Draft	√					35 00	
		To Income—Sold C. Z. Hess one Thoroughbred Poland-China hog, received N. Y. Draft	√				35 00		
	11	Expense—Stationery	√		4 00				
		To Cash—Paid Peter Pierce for 500 Letter-Heads and 250 Envelopes	√						4 00
					56 00		52 00	539 00	132 00
								132 00	
		Cash on hand						407 00	

1911		February, 1911	L P C	Sundry Personal Accounts	Expense	Labor	Income	Cash Dr.	Cash Cr.
		Brought Forward			56 00		52 00	407 00	
Feb.	12	Expense	√		400 00				
		To Bills Payable — Bought of David Lincoln, on my note for 8 months at 6% Int. per annum, 100 sheep @ $4.00 per head	3	400 00					
	15	Jacob Jackson	7	80 00					
		To Income — Sold him, on account, 100 bushels wheat @ 80c per Bu.	√				80 00		
	20	Cash—Check	√					150 00	
		To Income — Sold Cyrus Grant, for his check on Danville Bank, 200 Bu. Corn @ 75c per Bu.	√				150 00		
	22	Cash	√					20 00	
		To Danville Bank — Gave Noah Hayes my check on Danville Bank for Cash	4	20 00					
	25	Joseph Garfield	7	86 00					
		To Fence Account—Sold him, on account, 200 rod 11-48 fence @ 43c per rod	6	86 00					
Mch.	1	Danville Bank	4	50 00					
		To Joseph Garfield — He deposited in Danville Bank, my favor, subject to check	7	50 00					
	3	Expense — Labor	√		1 00	1 00			
		To Cash — Paid Oliver Arthur for helping butcher	√						1 00
	5	Expense	√		1 00				
		To Cash—Paid Levi Cleveland for filing saws							1 00
	8	Expense — Labor	√		4 00	4 00			
		To Cash—Paid Grace Burr for doing Housework for 2 weeks @ $2.00 per week	√						4 00
	12	Cash—Cash and Check	√					80 00	
		To Jacob Jackson—He gave me on account, Cash $50 00							
		His check on Albany Bank 30 00	7	80 00					
					462 00	5 00	282 00	657 00	6 00
								6 00	
		Cash on hand						651 00	

1911		March, 1911	L P C	Sundry Personal Accounts	Expense	Labor	Income	Cash Dr.	Cash Cr.
		Brought Forward			462 00	5 00	282 00	651 00	
Mch.	15	Expense	√		7 00				
		To Cash—Bought of John Clinton, for cash, 20 gallons of Lime-Sulphur Solution @ 35c per gallon	√						7 00
	18	Expense	√		18 00				
		To Cash—Bought of David King 2 Bu. Timothy Seed @ $4.00 per Bu., and 1 Bu. Clover Seed @ $10.00. I gave him Cyrus Grant's check on Albany Bank for $150.00, and he gave me cash for change, $132.00	√						18 00
	20	Expense — Labor	√		1 00	1 00			
		To Income — Gave Robert Marshall 1 Bu. Potatoes worth $1.00 for labor 1 day	√				1 00		
	25	Expense	√		10 00				
		To Cash—Bought of The Spring-Nursery, for cash, 50 Peach Trees @ 20c each	√						10 00
	28	Expense	√		4 00				
		To Cash—Paid cash for Express Money Order to send to The Ohio Supply Co. for one box of Prunes	√						4 00
Apr.	1	Expense	√		1 00				
		To Cash — Paid Henry Tyler (freight agent) freight on 20 gallons Lime-Sulfur Solution, shipped from Silver Lake, O., to Killbuck, O.	√						1 00
	3	Expense	√		15 00				
		To Danville Bank—Drew check on Danville Bank, favor Philip Clay for my share of keeping Company Horse	4	15 00					
	5	Expense	√		4 00				
		To Cash — Paid Bell Telephone Co. for 3 months' box rent $3.00, tolls $1.00	√						4 00
					522 00	6 00	283 00	651 00	44 00
								44 00	
		Cash on hand						607 00	

1911		April 1911	L P C	Sundry Personal Accounts	Expense	Labor	Income	Cash Dr.	Cash Cr.
Apr.		Brought Forward			522 00	6 00	283 00	607 00	
	9	Cash	√					53 00	
		To Income	√				15 00		
		To Fence Account—Sold Joseph Clayton for cash, 50 Bu. Oats @ 30c per Bu.....$15 00							
		100 rod 10-46 fence @ 38c per rod..... 38 00	6	38 00					
	13	Cash—Cash and Check.....	√					10 00	
		To Income—Oscar Black paid for pasturing 5 Colts, 2 months, @ $1.00 per month for each Colt. He gave me Cash.....$3 00							
		His Check on Green's Bank 7 00	√				10 00		
	15	Expense	√		2 00				
		To Cash — Paid Levi Fish for shoeing horses	√						2 00
	17	Cash — Check.....	√					131 50	
		To Fence Account — Sold Herbert Blaine for his check on Danville Bank, fencing as follows:							
		100 rod 11-48 @ 43c.....$43 00							
		100 rod 10-46 @ 38c..... 38 00							
		50 rod 20-60 @ 53c..... 26 50							
		50 rod 16-48 @ 48c..... 24 00	6	131 50					
	21	Danville Bank	4	203 50					
		To Cash—Deposited, subject to check, C. Z. Hess's N. Y.							
		Draft $35 00							
		Jacob Jackson's Check.. 30 00							
		Oscar Black's Check..... 7 00							
		Herbert Blaine's Check..131 50	√						203 50
May	1	Cash—Certificate of Deposit.....	√					500 00	
		To Danville Bank — Drew a Check on Danville Bank, favor Danville Bank and received a Time Certificate of Deposit bearing Interest at the rate of 4% per annum.....	4	500 00					
	2	Frank Adams	3	30 00					
		To Danville Bank—Drew Check on Danville Bank, favor Hiram Wheeler, to pay for suit of clothes for Frank Adams, on account	4	30 00					
					524 00	6 00	308 00	1301 50	205 50
								205 50	
		Cash on hand						1096 00	

1911		May, 1911	L P C	Sundry Personal Accounts	Expense	Labor	Income	Cash Dr.	Cash Cr.
		Brought Forward			524 00	6 00	308 00	1096 00	
May	5	Expense — Labor	√		4 00	4 00			
		To Cash — Paid Edwin Wilson for shearing 50 Sheep @ 8c per head	√						4 00
	9	Fence Account	6	21 50					
		To Joseph Garfield — He returned 50 rod 11-48 fence @ 43c per rod	7	21 50					
	12	Cash — Check	√					10 00	
		To Andrew Hamlin — He gave me, on account, his check on Albany Bank	2	10 00					
	15	Cash — Check	√					43 00	
		To Fence Account—Sold to King Bros. for their check on Danville Bank, 100 rod 10-46 fence @ 43c per rod, erected	6	43 00					
	15	Fence Account	6	2 00					
		To Cash—Paid L. Kile for helping erect fence for King Bros.	√						2 00
	17	Expense	√		30 00				
		To Jacob Jackson—He baled 15 tons Hay for me @ $2.00 per ton, on account	7	30 00					
	21	Cash — Check	√					300 00	
		To Income—Sold Wm. Allen for his check on Albany Bank, 15 ton Hay @ $20.00 per ton					300 00		
	25	Danville Bank	4	553 00					
		To Cash — Deposited subject to check							
		Andrew Hamlin's Ch'k $ 10 00							
		King Bros. Check 43 00							
		Wm. Allen's Check 300 00							
		Cash (Currency) 200 00	√						553 00
June	1	Expense	√		8 00				
		To Gilbert Polk — Bought of him, on account, 100 lbs. Binder Twine @ 8c per lb	7	8 00					
					566 00	10 00	608 00	1449 00	559 00
								559 00	
		Cash on hand						890 00	

1911		June, 1911	L P C	Sundry Personal Accounts	Expense	Labor	Income	Cash Dr.	Cash Cr.
		Brought Forward			566 00	10 00	608 00	890 00	
June	3	Cash	V					50 00	
		To Danville Bank—Drew Check on Danville Bank, favor Danville Bank, for Cash	4	50 00					
	5	Cash	V					10 00	
		Expense—Butter used	V		5 00				
		To Income—Received Creamery Statement, which is as follows: Amount of Milk 1000 lb; Average Test 5 %; Amount of Butter Fat 50 lb; Price per pound 30c; Amount of Bill $15 00							
		Cost of Butter used 5 00	V				15 00		
	5	Expense	V		1 00				
		To Cash—Paid M. Wickiser for hauling 1000 lbs. milk @ 10c per hundred	V						1 00
	7	T. D. Anderson	8	100 00					
		To Cash — Let him have cash, without note or interest	V						100 00
	12	New York Milling Co.	8	100 00					
		To Income — I stored 100 Bu. wheat and I am to have 40 lb. of flour for each bushel of wheat stored. Wheat is worth $1.00 per Bu., and Flour is worth 2½c per lb.	V				100 00		
	12	Expense	V		25 00				
		To New York Milling Co.—I received 1000 lbs. of Flour @ 2½c per lb.	8	25 00					
	16	Bills Receivable	1	25 00					
		To Income—Sold one Hog to C. A. Arnold on his note for 6 months @ 10% Int. per annum	V				25 00		
	25	Andrew Hamlin	2	10 00					
		To Danville Bank — Andrew Hamlin's Check was returned on account of no funds in bank	4	10 00					
					597 00	10 00	748 00	950 00	101 00
								101 00	
		Cash on hand						849 00	

1911		July, 1911	L P C	Sundry Personal Accounts	Expense	Labor	Income	Cash Dr.	Cash Cr.
		Brought Forward	√		597 00	10 00	748 00	849 00	
July	1	Expense	√		28 00				
		To Cash—Paid Joseph Bacon for Insuring $2800.00 worth of Buildings, Live Stock and Grain against damages by Fire or Lightning, @ 1% for a term of 3 years	√						28 00
	3	Expenses	√		10 00				
		To Cash—Bought of John Clinton, 5 gallons of Paint @ $2.00 per gallon	√						10 00
	6	Jacob Jackson	7	30 00					
		To Cash — Paid Dr. Bailey for Medical Treatment, rendered Jacob Jackson, on account	√						30 00
	10	Expense — Labor	√		2 00	2 00			
		To D. E. Baker—He worked for me, one day, on account	8	2 00					
	20	Cash	√					10 00	
		To Andrew Hamlin — I returned his worthless Check to him, and he gave me cash	2	10 00					
	25	Expense	√		25 00				
		To Income — Bought of Noah Fillmore, 10 tons of Coal @ $2.50 per ton, and let him have 50 bushels of Corn @ 50c a Bu.	√				25 00		
	26	Expense	√		4 00				
		To Luke Harrison—Bought of J. D. Balboa, for my order on Luke Harrison, 10 bushels Oats @ 40c per Bu	5	4 00					
	27	Cash — Check	√					10 00	
		To Income—Sold W. B. Barton, for his Check on Danville Bank, 1 Veal Calf	√				10 00		
	28	Cash	√					10 00	
		To Cash—H. R. Boone gave me cash for W. B. Barton's check	√						10 00
					666 00	12 00	783 00	879 00	78 00
								78 00	
		Cash on hand						801 00	

1911		August, 1911	L P C	Sundry Personal Accounts	Expense	Labor	Income	Cash Dr.	Cash Cr.
		Brought Forward			666 00	12 00	783 00	801 00	
Aug.	1	Expense — Labor	√		5 00	5 00			
		To Cash	√						4 00
		To Income — Mrs. B. C. Bragg cleaned house for me, 5 days @ $1.00 per day. I gave her cash, $4.00 and let her have 1 bushel of Onions worth $1.00	√				1 00		
	6	Expense	√		31 00				
		To Danville Bank—I drew check on Danville Bank, favor S. P. Brown for threshing the following: 400 Bushel Wheat @ 4c..$16 00 500 Bushel Oats @ 2c.... 10 00 25 Bushel Timothy Seed @ 20c 5 00	4	31 00					
	8	Expense	√		100 00				
		To Galena Oil & Gas Co. — I bought 2 Shares of their Stock @ $50.00 per share, on account	9	100 00					
	8	Galena Oil & Gas Co.	9	10 00					
		To Cash—Paid Galena Oil & Gas Co., on account	√						10 00
	15	Fence Account — Rebate	6	2 00					
		Cash	√					12 50	
		To Joseph Garfield — He paid cash, on account, $12.50, and I allowed him a Rebate of $2.00 for defective fence	7	14 50					
	18	Galena Oil & Gas Co.	9	50 00					
		To Cash — Gave Galena Oil & Gas Co., on account, cash, $50.00	√						50 00
	20	J. C. Buell	9	19 00					
		To Fence Account—Sold D. C. Bryant for his Order on J. C. Buell, 50 rod 11-48 Fence @ 38c per rod	6	19 00					
Sept.	1	Cash — Check	√					240 00	
		To Income—Sold to B. F. Cabot for his Check on Arlington Bank, 20 Fat Hogs, total weight 4000 lbs., @ 6c per lb.	√				240 00		
					802 00	17 00	1024 00	1053 50	64 00
								64 00	
		Cash on hand						989 50	

1911		September, 1911	L P C	Sundry Personal Accounts	Expense	Labor	Income	Cash Dr.	Cash Cr.
Sept.		Brought Forward			802 00	17 00	1024 00	989 50	
	5	Expense	√		60 00				
		To Danville Bank — Bought of Universal Roofing Co., for my Check on Danville Bank, 20 squares Roofing @ $3.00 per square	4	60 00					
	10	Expense — Labor	√		10 00	10 00			
		To Cash—Paid Oliver Arthur for cutting 200 shock of Corn @ 5c per shock	√						10 00
	15	Expense	√		1 00				
		To Cash—Paid H. G. Conway for making 2 barrel Cider @ 50c per barrel	√						1 00
	18	Expense	√		10 00				
		To Income—U. C. Davis gave me a Calf worth $10.00 for the use of my Grain Drill, with which he sowed 40 acres of wheat @ 25c per acre	√				10 00		
	25	Cash	√					5 00	
		To Income—I traded Calves with W. B. Barton. He gave me $5.00, as my calf was worth more than his	√				5 00		
	27	Danville Bank	4	240 00					
		To Cash—Deposited in Danville Bank, subject to check, B. F. Cabot's Check							240 00
	28	Frank Adams	3	10 00					
		To Cash—Paid him on account	√						10 00
	30	Danville Bank	4	300 00					
		To Income — The Danville Bank gave me a reward for capturing a burglar who attempted to rob that bank	√				300 00		
Oct.	1	Cash	√					500 00	
		To Danville Bank — I drew a Check on Danville Bank, favor Danville Bank, for cash	4	500 00					
	1	Cash — Certificate of Deposit	√					500 00	
		To Cash—I deposited $500.00 in The Peoples Bank and received a Time Certificate of Deposit bearing 4% Interest per annum	√						500 00
					883 00	27 00	1339 00	1994 50	761 00
								761 00	
		Cash on hand						1233 50	

1911		October, 1911	L P C	Sundry Personal Accounts	Expense	Labor	Income	Cash Dr.	Cash Cr.
		Brought Forward			883 00	27 000	1339 00	1233 50	
Oct.	3	Expense	V		15 00				
		To Cash	V						10 00
		To Income—Paid on Preacher's Salary $10.00 in cash and gave him 10 bushels Corn worth 50c per bushel	V				5 00		
Oct.	4	H. O. Franklin	9	5 00					
		To Income — Let him have, on account, 200 lbs. Flour @ 2½c per lb.	V				5 00		
	5	Cash	V					200 00	
		To Income — Sold to Edward Early, 10 Cattle for $200.00 in Cash	V				200 00		
	10	H. O. Franklin	9	10 00					
		To Cash — Paid him Cash, on account	V						10 00
	12	Bills Payable	3	400 00					
		To Cash	V						100 00
		To Danville Bank—Paid my note, favor David Lincoln, by giving him Cash $100 00							
		My Check on Danville Bank 300 00	4	300 00					
	12	Interest Account	10	16 00					
		To David Lincoln — I gave him credit for Interest on note of $400.00 @ 6% for 8 months	10	16 00					
	18	Expense	V		20 00				
		To Cash—Paid H. G. Conway for hulling 20 bushels Clover Seed @ $1.00 per bushel	V						20 00
	21	H. O. Franklin	9	5 00					
		To Cash—I paid Dr. Baily for Medical Treatment rendered to H. O. Franklin, on account	V						5 00
	31	Expense — Labor	V		25 00	25 00			
		To H. O. Franklin—I gave him credit for 1 month's labor	9	25 00					
					943 00	52 00	1549 00	1433 50	145 00
								145 00	
		Cash on hand						1288 50	

1911		October, 1911	L P C	Sundry Personal Accounts	Expense	Labor	Income	Cash Dr.	Cash Cr.
		Brought Forward			943 00	52 00	1549 00	1288 50	
Oct.	31	H. O. Franklin	9	5 00					
		To Cash—Paid him in full of account	√						5 00
Nov.	1	Cash	√					3 00	
		To Income—I received $3.00 for driving for an agent who was selling machinery for The International Harvester Co.	√				3 00		
	5	Expense	√		1 00				
		To Cash—Paid The Practical Farmer for one year's subscription	√						1 00
	10	Cash	√					100 00	
		To Income—Sold C. B. Freemont 10 bushels Clover Seed @ $10.00 per bushe..l	√				100 00		
	15	Expense	√		43 00				
		To Fence Account—I used 100-rod of 11-48 Fence on my farm. This fence sold at 43c per rod	6	43 00					
	20	Cash	√					100 00	
		To Bills Payable—I borrowed of John Durling, on my note, due one year from date, without Interest	3	100 00					
	25	Bills Receivable	1	100 00					
		To Cash	√						95 00
		To Discount—I bought a note of $100.00, drawn by T. P. Gage, in favor of C. A. Gates, received a discount of $5.00	5	5 00					
					987 00	52 00	1652 00	1491 50	101 00
								101 00	
		Cash on hand						1390 50	

1911		November, 1911	L P C	Sundry Personal Accounts	Expense	Labor	Income	Cash Dr.	Cash Cr.
		Brought Forward			987 00	52 00	1652 00	1690 50	
Nov.	26	Expense	√		19 00				
		To J. C. Buell—I bought a hog of Peter Pinder for $19.00 and gave him the order which I have on J. C. Buell, drawn by D. C. Bryant	9	19 00					
	28	Expense	√		4 00				
		To Income—I sold 20 dozen Eggs at Green's grocery @ 20c per dozen and took groceries for the whole amount	√				4 00		
	29	Loss & Gain Account	10	4 50					
		To Fence Account — Some one stole 10 rod of 16-48 Fence worth 45c per rod	6	4 50					
	30	Cash	√					495 00	
		Discount	5	8 33					
		To cash	√						500 00
		To Interest—I sold my Certificate of Deposit ($500.00), on The Peoples Bank to Henry Wilson for $495.00. There was $3.33 Accrued Interest on the Certificate of Deposit, making a total discount of $8.33	10	3 33					
Dec.	1	Expense	√		35 00				
		To Income	√				20 00		
		To Danville Bank	4	10 00					
		To Cash	√						3 00
		To Oliver Arthur — He baled 20 tons of Hay for me @ $1.75 per ton. I let him have 1 Hog worth $20 00 My Check on Danville Bank 10 00 Cash 3 00 Balance on account 2 00	10	2 00					
	5	Expense	√		3 00				
		To M. E. Church—I decided to cancel my account against the M. E. Church	5	3 00					
	10	Loss & Gain	10	75 00					
		To Cash — I had to pay Peter Hanover's note for $75.00, on which I was security	√						75 00
					1048 00	52 00	1676 00	1885 50	578 00
								578 00	
		Cash on hand						1307 50	

1911		December, 1911	L P C	Sundry Personal Accounts	Expense	Labor	Income	Cash Dr.	Cash Cr.
		Brought Forward			1048 00	52 00	1676 00	1307 50	
Dec.	16	Cash	V					26 25	
		To Bills Receivable	1	25 00					
		To Interest Account—C. A. Arnold paid Cash for his $25.00 Note. Int. @ 10%, $1.25	10	1 25					
	20	Expense	V		150 00				
		To Danville Bank—I drew Check on Danville Bank, favor Treas. of Delaware County to pay tax	4	150 00					
	25	Cash — Check	V					180 00	
		To Income—Sold to L. Moss for his Check on Green's Bank, 10 tons Hay @ $18.00 per ton	V				180 00		
	25	Expense	V		5 00				
		To Cash—I gave L. O. Goodman a Christmas present that cost	V						5 00
	26	Cash	V					30 00	
		To Income — Received of Philip Clay my share of Dividend on Percheron Horse Co. Stock	V				30 00		
	28	Expense	V		100 00				
		To Bills Receivable — Bought of J. C. Henry 200 Bu. Corn @ 50c per Bu. Paid him with the Note, which I hold, made in favor of C. A. Gates	1	100 00					
	31	Bills Payable	3	100 00					
		Interest	10	6 00					
		To Discount	5	5 00					
		To Cash—Prepaid my $100.00 Note, favor T. A. Hood and received 5% Dis. Int. on Note $6	V						101 00
	31	Frank Adams	3	10 00					
		To Cash—Gave him cash on account	V						10 00
	31	Cash	V					1 00	
		Expense	V		1 00				
		To Income—Sold 8 dozen Eggs at Jones' grocery @ 25c per dozen. Received $1.00 cash, and groceries, $1.00	V				2 00		
	31	Expense	V		2 00				
		To Cash							1 00
		To Income — Sold 5 pounds of Butter to huxter @ 20c per pound; took groceries amounting to $2.00 and paid cash $1.00	V				1 00		
					1306 00	52 00	1889 00	1544 75	117 00
								117 00	
		Cash on hand						1527 75	

Explanation of Ledger

The double vertical line in the center of the page separates the **Debit Side** of an account from the **Credit Side.**

The **Left Hand Side** is the Debit Side. The **Right Hand Side** is the Credit Side.

The Columns on the Debit Side are identical to the Columns on the Credit Side.

The first double column at the left hand side is the Date Column. In this column is kept the date on which each transaction occurred.

The next column to the right of the Date Column is the Explanatory Column. In this column is kept a short explanation of each transaction.

The next column to the right of the Explanatory Column is the Folio Column or Journal Page Column. In this column is kept the number of the page on which a record of each transaction is found in the Journal.

The next column to the right of the Folio Column is the Amount Column. In this column is kept the amount of each Debit and Credit.

How to Post to the Ledger

Amounts are **Posted** from the **Journal** to the **Ledger** any time after they have been recorded in the Journal.

Post the **Amounts** to the **Ledger** that are found in Sundry Personal Accounts Column in the **Journal.**

To learn how to **Post** to the **Ledger** the student should notice closely the form used in this set and follow the instructions and explanations given.

First turn to the first page of the **Journal.** Beginning with the first amount that is found in **Sundry Personal Accounts Column,** proceed in the following manner to make entries in the Ledger:

For convenience, we have used the following abreviations, L. P. C. for **Ledger Page Column** and J. P. C. for **Journal Page Column.**

Jan. 1st—Debit Real Estate for $12,000.00 and place 1 in L. P. C. and 1 in J. P. C.

Jan. 1st—Debit Bills Receivable for $80.00 and place 1 in L. P. C. and 1 in J. P. C.

Jan. 1st—Debit Ralph Taylor for $100.00 and place 1 in L. P. C. and 1 in J. P. C.

Jan. 1st—Debit Andrew Hamlin for $10.00 and place 2 in L. P. C. and 1 in J. P. C.

Jan. 1st—Debit Equipment for $3392.00 and place 2 in L. P. C. and 1 in J. P. C.

Jan. 1st—Credit Proprietor for $16,582.00 and place 2 in L. P. C. and 1 in J. P. C.

Jan. 1st—Debit Proprietor for $150.00 and place 2 in L. P. C. and 1 in J. P. C.

Jan. 1st—Credit Frank Adams for $50.00 and place 3 in L. P. C. and 1 in J. P. C.

Jan. 1st—Credit Bills payable for $100.00 and place 3 in L. P. C. and 1 in J. P. C.

Jan. 1st—Debit Danville Bank for $600.00 and place 4 in L. P. C. and 1 in J. P. C.

Jan. 9th—Debit John Madison for $1.00 and place 3 in L. P. C. and 1 in J. P. C.

Jan. 11th—Credit Shelby Clay Co. for $40.00 and place 4 in L. P. C. and 1 in J. P. C.

Jan. 13th—Debit Shelby Clay Co. for $5.00 and place 4 in L. P. C. and 2 in J. P. C.

Jan. 13th—Credit Frank Adams for $5.00 and place 3 in L. P. C. and 2 in J. P. C.

Jan. 15th—Credit Bills Receivable for $80.00 and place 1 in L. P. C. and 2 in J. P. C.

Jan. 17th—Debit Luke Harrison for $5.00 and place 5 in L. P. C. and 2 in J. P. C.

Jan. 17th—Credit Danville Bank for $5.00 and place 4 in L. P. C. and 2 in J. P. C.

Jan. 19th—Debit Fence Account for $410.00 and place 6 in L. P. C. and 2 in J. P. C.

Jan. 19th—Credit Ohio Fence Co. for $410.00 and place 6 in L. P. C. and 2 in J. P. C.

Jan. 21st—Debit Danville Bank for $80.00 and place 4 in L. P. C. and 2 in J. P. C.

Jan. 25th—Debit Fence Account for $12.00 and place 6 in L. P. C. and 3 in J. P. C.

Jan. 27th—Debit Fence Account for $4.80 and place 6 in L. P. C. and 3 in J. P. C.

Jan. 27—Credit Fence Account for $4.80 and place 6 in L. P. C. and 3 in J. P. C.

Feb. 1st—Credit Ralph Taylor for $100.00 and place 1 in L. P. C. and 3 in J. P. C.

Feb. 3rd—Debit Danville Bank for $116.00 and place 4 in L. P. C. and 3 in J. P. C.

Feb. 5th—Debit M. E. Church for $3.00 and place 5 in L. P. C. and 3 in J. P. C.

Feb. 5th—Credit Danville Bank for $3.00 and place 4 in L. P. C. and 3 in J. P. C.

Feb. 7th—Debit Ohio Fence Co. for $410.00 and place 6 in L. P. C. and 3 in J. P. C.

Feb. 7th—Credit Danville Bank for $401.80 and place 4 in L. P. C. and 3 in J. P. C.

Feb. 7th—Credit Discount for $8.20 and place 5 in L. P. C. and 3 in J. P. C.

Feb. 12th—Credit Bills Payable for $400.00 and place 3 in L. P. C. and 4 in J. P. C.

Feb. 15th—Debit Jacob Jackson for $80.00 and place 7 in L. P. C. and 4 in J. P. C.

Feb. 22nd—Credit Danville Bank for $20.00 and place 4 in L. P. C. and 4 in J. P. C.

Feb. 25th—Debit Joseph Garfield for $86.00 and place 7 in L. P. C. and 4 in J. P. C.

Feb. 25th—Credit Fence Account for $86.00 and place 6 in L. P. C. and 4 in J. P. C.

March 1st—Debit Danville Bank for $50.00 and place 4 in L. P. C. and 4 in J. P. C.

March 1st—Credit Joseph Garfield for $50.00 and place 7 in L. P. C. and 4 in J. P. C.

March 12th—Credit Jacob Jackson for $80.00 and place 7 in L. P. C. and 4 in J. P. C.

April 3rd—Credit Danville Bank for $15.00 and place 4 in L. P. C. and 5 in J. P. C.

April 9th—Credit Fence Account for $38.00 and place 6 in L. P. C. and 6 in J. P. C.

April 17th—Credit Fence Account for 131.50 and place 6 in L. P. C. and 6 in J. P. C.

April 21st—Debit Danville Bank for $203.50 and place 4 in L. P. C. and 6 in J. P. C.

May 1st—Credit Danville Bank for $500.00 and place 4 in L. P. C. and 6 in J. P. C.

May 2nd—Debit Frank Adams for $30.00 and place 3 in L. P. C. and 6 in J. P. C.

May 2nd—Credit Danville Bank for $30.00 and place 4 in L. P. C. and 6 in J. P. C.

May 9th—Debit Fence Account for $21.50 and place 6 in L. P. C. and 7 in J. P. C.

May 9th—Credit Joseph Garfield for $21.50 and place 7 in L. P. C. and 7 in J. P. C.

May 12th—Credit Andrew Hamlin for $10.00 and place 2 in L. P. C. and 7 in J. P. C.

May 15th—Credit Fence Account for $43.00 and place 6 in L. P. C. and 7 in J. P. C.

May 15th—Debit Fence Account for $2.00 and place 6 in L. P. C. and 7 in J. P. C.

May 17th—Credit Jacob Jackson for $30.00 and place 7 in L. P. C. and 7 in J. P. C.

May 25th—Debit Danville Bank for $553.00 and place 4 in L. P. C. and 7 in J. P. C.

June 1st—Credit Gilbert Polk for $8.00 and place 7 in L. P. C. and 7 in J. P. C.

June 3rd—Credit Danville Bank for $50.00 and place 4 in L. P. C. and 8 in J. P. C.

June 7th—Debit T. D. Anderson for $100.00 and place 8 in L. P. C. and 8 in J. P. C.

June 12th—Debit New York Milling Co. for $100.00 and place 8 in L. P. C. and 8 in J. P. C.

June 12th—Credit New York Milling Co. for $25.00 and place 8 in L. P. C. and 8 in J. P. C.

June 16th—Debit Bills Receivable for $25.00 and place 1 in L. P. C. and 8 in J. P. C.

June 25th—Debit Andrew Hamlin for $10.00 and place 2 in L. P. C. and 8 in J. P. C.

June 25th—Credit Danville Bank for $10.00 and place 4 in L. P. C. and 8 in J. P. C.

July 6th—Debit Jacob Jackson for $30.00 and place 7 in L. P. C. and 9 in J. P. C.

July 10th—Credit D. E. Baker for $2.00 and place 8 in L. P. C. and 9 in J. P. C.

July 20th—Credit Andrew Hamlin for $10.00 and place 2 in L. P. C. and 9 in J. P. C.

July 26th—Credit Luke Harrison for $4.00 and place 5 in L. P. C. and 9 in J. P. C.

Aug. 6th—Credit Danville Bank for $31.00 and place 4 in L. P. C. and 10 in J. P. C.

Aug. 8th—Credit Galena Oil & Gas Co. for $100.00 and place 9 in L. P. C. and 10 in J. P. C.

Aug. 8th—Debit Galena Oil & Gas Co. for $10.00 and place 9 in L. P. C. and 10 in J. P. C.

Aug. 15th—Debit Fence Account for $2.00 and place 6 in L. P. C. and 10 in J. P. C.

Aug. 15th—Credit Joseph Garfield for $14.50 and place 7 in L. P. C. and 10 in J. P. C.

Aug. 18th—Debit Galena Oil & Gas Co. for $50.00 and place 9 in L. P. C. and 10 in J. P. C.

Aug. 20th—Debit J. C. Buell for $19.00 and place 9 in L. P. C. and 10 in J. P. C.

Aug. 20th—Credit Fence Account for $19.00 and place 6 in L. P. C. and 10 in J. P. C.

Sept. 5th—Credit Danville Bank for $60.00 and place 4 in L. P. C. and 11 in J. P. C.

Sept. 27th—Debit Danville Bank for $240.00 and place 4 in L. P. C. and 11 in J. P. C.

Sept. 28th—Debit Frank Adams for $10.00 and place 3 in L. P. C. and 11 in J. P. C.

Sept. 30th—Debit Danville Bank for $300.00 and place 4 in L. P. C. and 11 in J. P. C.

Oct. 1st—Credit Danville Bank for $500.00 and place 4 in L. P. C. and 11 in J. P. C.

Oct. 4th—Debit H. O. Franklin for $5.00 and place 9 in L. P. C. and 12 in J. P. C.

Oct. 10th—Debit H. O. Franklin for $10.00 and place 9 in L. P. C. and 12 in J. P. C.

Oct. 12th—Debit Bills Payable for $400.00 and place 3 in L. P. C. and 12 in J. P. C.

Oct. 12th—Credit Danville Bank for $300.00 and place 4 in L. P. C. and 12 in J. P. C.

Oct. 12th—Debit Interest Account for $16.00 and place 10 in L. P. C. and 12 in J. P. C.

Oct. 12th—Credit David Lincoln for $16.00 and place 10 in L. P. C. and 12 in J. P. C.

Oct. 21st—Debit H. O. Franklin for $5.00 and place 9 in L. P. C. and 12 in J. P. C.

Oct. 31st—Credit H. O. Franklin for $25.00 and place 9 in L. P. C. and 12 in J. P. C.

Oct. 31st—Debit H. O. Franklin for $5.00 and place 9 in L. P. C. and 13 in J. P. C.

Nov. 15th—Credit Fence Account for $43.00 and place 6 in L. P. C. and 13 in J. P. C.

Nov. 20th—Credit Bills Payable for $100.00 and place 3 in L. P. C. and 13 in J. P. C.

Nov. 25th—Debit Bills Receivable for $100.00 and place 1 in L. P. C. and 13 in J. P. C.

Nov. 25th—Credit Discount for $5.00 and place 5 in L. P. C. and 13 in J. P. C.

Nov. 26th—Credit J. C. Buell for $19.00 and place 9 in L. P. C. and 14 in J. P. C.

Nov. 29th—Debit Loss & Gain Account for $4.50 and place 10 in L. P. C. and 14 in J. P. C.

Nov. 29th—Credit Fence Account for $4.50 and place 6 in L. P. C. and 14 in J. P. C.

Nov. 30th—Debit Discount for $8.33 and place 5 in L. P. C. and 14 in J. P. C.

Nov. 30th—Credit Interest for $3.33 and place 10 in L. P. C. and 14 in J. P. C.

Dec. 1st—Credit Danville Bank for $10.00 and place 4 in L. P. C. and 14 in J. P. C.

Dec. 1st—Credit Oliver Arthur for $2.00 and place 10 in L. P. C. and 14 in J. P. C.

Dec. 5th—Credit M. E. Church for $3.00 and place 5 in L. P. C. and 14 in J. P. C.

Dec. 10th—Debit Loss & Gain for $75.00 and place 10 in L. P. C. and 14 in J. P. C.

Dec. 16th—Credit Bills Receivable for $25.00 and place 1 in L. P. C. and 15 in J. P. C.

Dec. 16th—Credit Interest Account for $1.25 and place 10 in L. P. C. and 15 in J. P. C.

Dec. 20th—Credit Danville Bank for $150.00 and place 4 in L. P. C. and 15 in J. P. C.

Dec. 28th — Credit Bills Receivable for $100.00 and place 1 in L. P. C. and 15 in J. P. C.

Dec. 31st—Debit Bills Payable for $100.00 and place 3 in L. P. C. and 15 in J. P. C.

Dec. 31st—Debit Interest for $6.00 and place 10 in L. P. C. and 15 in J. P. C.

Dec. 31st—Credit Discount for $5.00 and place 5 in L. P. C. and 15 in J. P. C.

Dec. 31st—Debit Frank Adams for $10.00 and place 3 in L. P. C. and 15 in J. P. C.

INDEX TO LEDGER

	Page
Adams, Frank	3
Anderson, T. D.	8
Arthur, Oliver	10
Bills Receivable	1
Bills Payable	3
Baker, D. E.	8
Buell, J. C.	9
Danville Bank	4
Discount	5
Equipment	2
Fence Account	6
Franklin, H. O.	9
Garfield, Joseph	7
Galena Oil & Gas Co.	9
Hamlin, Andrew	2
Harrison, Luke	5
Interest	10
Jackson, Jacob	7
Lincoln, David	10
Loss & Gain	11
Madison, John	3
M. E. Church	5
N. Y. Milling Co.	8
Ohio Fence Co.	6
Proprietor	2
Polk, Gilbert	7
Real Estate	1
Shelby Clay Co.	4
Taylor, Ralph	1

REAL ESTATE

1911			J. P. C.		1912			J. P. C.	
Jan.	1	To 150 acres of land	1	12000 00	Jan.	1	By 150 acres of land		12000 00
1912									
Jan.	1	To inventory		12000 00					

BILLS RECEIVABLE

1911					1911				
Jan.	1	To Albert Monroe's Note	1	80 00	Jan.	15	By Albert Monroe's Note	2	80 00
June	16	To C. A. Arnold's Note	8	25 00	Dec.	16	By C. A. Arnold's Note	15	25 00
Nov.	25	To C. A. Gates' Note	13	100 00	"	28	" C. A. Gates' Note	15	100 00
				205 00					205 00

RALPH TAYLOR

1911					1911				
Jan.	1	To Balance	1	100 00	Feb.	1	By Check	3	100 00

ANDREW HAMLIN

1911					1911			J. P. C.	
Jan.	1	To Balance	1	10 00	May	12	By Check	7	10 00
June	25	" Check Returned	8	10 00	July	20	" Cash	9	10 00
				20 00					20 00

EQUIPMENT

1911					1912			J. P. C.	
Jan.	1	To Inventory	1	3392 00	Jan.	1	By Inventory		4230 00
									4230 00
									3392 99
							By Loss & Gain		838 00
1912									
Jan.	1	To Inventory		4230 00					

PROPRIETOR

1911					1911				
Jan.	1	To Notes and Debts on account	1	150 00	Jan.	1	By Investment	1	16582 00
1912	1	To Inventory		17982 00	1912				
				18132 00	Jan.	1	By Notes and Debts on account		208 00
				16790 00					16790 00
		Proprietor's Net Gain		1342 00	1912				
1912					Jan.	1	By Investment		17982 00
Jan.	1	To Notes and Debts on account		208 00					

FRANK ADAMS

1911			J. P. C.		1911			J. P. C.	
May	2	To Suit of Clothes	6	30 00	Jan.	1	By Balance	1	50 00
Sept.	28	" Cash	11	10 00		13	" Payment to Shelby Clay Co	2	5 00
Dec.	31	" Cash	15	10 00					
				50 00					55 00
									50 00
					1912				
					Jan.	1	By Balance		5 00

BILLS PAYABLE

1911					1911				
Oct.	12	To David Lincoln's Note	12	400 00	Jan.	1	By T. A. Hood's Note	1	100 00
Dec.	31	" T. A. Hood's Note	15	100 00	Feb.	12	" David Lincoln's Note	4	400 00
					Nov.	20	" John Durlin's Note	13	100 00
				500 00					600 00
									500 00
					1912				
					Jan.	1	By Balance		100 00

JOHN MADISON

1911					1911				
Jan.	9	To 20 lbs. beef	1	1 00					

DANVILLE BANK

1911			J. P. C.		1911			J. P. C.	
							By ck. favor—	2	
Jan.	1	To Deposit	1	600 00	Jan.	17	Lewis Jackson	2	5 00
Jan.	21	" "	2	80 00	Feb.	5	Noah Fillmore	3	3 00
Feb.	3	" "	3	116 00	Feb.	7	Ohio Fence Co.	3	401 80
Mch.	1	" " by Joseph Garfield	4	50 00	Feb.	22	Noah Hayes	4	20 00
Apr.	21	" "	6	203 50	Apr.	3	Philip Clay	5	15 00
May	25	" "	7	553 00	May	1	Danville Bank	6	500 00
Sept.	27	" "	11	240 00	May	2	Hiram Wheeler	6	30 00
Sept.	30	" Reward	11	300 00	June	3	Danville Bank	8	50 00
					June	25	Check Returned	8	10 00
					Aug.	6	S. P. Brown	10	31 00
					Sept.	5	Universal Roofing Co.	11	60 00
					Oct.	1	Danville Bank	11	500 00
					Oct.	12	David Lincoln	12	300 00
					Dec.	1	Oliver Arthur	14	10 00
					Dec.	20	Treasurer of Delaware Co.	15	150 00
				2142 50					2085 80
				2085 80					
1912									
Jan.	1	To Balance		56 70					

SHELBY CLAY COMPANY

1911					1911				
Jan.	13	To Cash	2	5 00	Jan.	11	By Tile	1	40 00
				5 00					40 00
									5 00
					1912				
					Jan.	1	By Balance		35 00

LUKE HARRISON

1911			J. P. C.		1911			J. P. C.	
Jan.	17	To Lodge Dues	2	5 00	July	26	By my Order	9	4 00
				5 00					4 00
				4 00					
1912									
Jan.	1	To Balance		1 00					

M. E. CHURCH

1911					1911				
Feb.	5	To one ton coal	3	3 00	Dec.	5	By Gift	14	3 00

DISCOUNT

1911					1911				
Nov.	30	To Discount	14	8 33	Feb.	7	By Discount	3	8 20
					Nov.	25	" Discount	13	5 00
					Dec.	31	" Discount	15	5 00
				8 33					18 20
									8 33
							By Loss & Gain		9 87

FENCE ACCOUNT

1911			J. P. C.		1911			J. P. C.	
Jan.	19	To 1000 rods of fence	2	410 00	Jan.	27	Sold to Gilbert Polk	3	4 80
Jan.	25	To Freight	3	12 00	Feb.	25	" Joseph Garfield	4	86 00
Jan.	27	To Drayage	3	4 80	Apr.	9	" Joseph Clayton	6	38 00
May	9	To Fence returned	7	21 50	Apr.	17	" Herbert Blaine	6	131 50
May	15	To Labor	7	2 00	May	15	" King Bros.	7	43 00
Aug.	15	To Rebate	10	2 00	Aug.	20	" D. C. Bryant	10	19 00
					Nov.	15	" Proprietor	13	43 00
					Nov.	29	" Loss & Gain	14	4 50
					Dec.	31	**By Inventory**		91 00
				452 30					460 80
									452 30
							By Loss & Gain		8 50
1912									
Jan.	1	To Inventory		91 00					

OHIO FENCE COMPANY

1911					1911				
Feb.	7	To Check & Discount	3	410 00	Jan.	19	By 1000 Rods of Fence	2	410 00

JACOB JACKSON

1911			J. P. C.		1911			J. P. C.	
Feb.	15	To 100 bushels of wheat	4	80 00	Mch.	12	By Cash & Check	4	80 00
July	6	" Doctor Bill	9	30 00	May	17	" Baling Hay	7	30 00
				110 00					110 00

JOSEPH GARFIELD

1911					1911				
Feb.	25	To 200 Rods of Fence	4	86 00	Mch.	1	By Bank Deposit	4	50 00
					May	9	" Fence returned	7	21 50
				86 00	Aug.	15	" Cash & Rebate	10	14 50
									86 00

GILBERT POLK

					1911				
					June	1	By 100 lbs. binder twine	7	8 00

T. D. ANDERSON

1911			J. P. C.		1911			J. P. C.	
June	7	To Cash	8	100 00					

D. E. BAKER

					1911			J. P. C.	
					July	10	By Labor	9	2 00

NEW YORK MILLING COMPANY

1911					1911				
June	12	To 100 bushels of wheat	8	100 00	June	12	By 1000 lbs of flour	8	25 00
				100 00					25 00
				25 00					
1912 Jan.	1	To Balance		75 00					

GALENA OIL & GAS COMPANY

1911			J. P. C.		1911			J. P. C.	
Aug.	8	To Cash	10	10 00	Aug.	8	By two shares of stock	10	100 00
Aug.	18	" Cash	10	50 00					
				60 00					100 00
									60 00
					1912				
					Jan.	1			40 00

J. C. BUELL

1911					1911				
Aug.	20	To D. C. Bryant's order	10	19 00	Nov.	26	By Order	14	19 00

H. O. FRANKLIN

1911					1911				
Oct.	4	To 200 lbs of flour	12	5 00	Oct.	31	By Labor	12	25 00
Oct.	10	" Cash	12	10 00					
Oct.	21	" Doctor bill	12	5 00					
Oct.	31	" Cash	13	5 00					
				25 00					25 00

INTEREST

1911			J. P. C.		1911			J. P. C.	
Oct.	12	To Interest, paid	12	16 00	Nov.	30	By Interest, received	14	3 33
Dec.	31	" Interest, paid	15	6 00	Dec.	16	" Interest, received	15	1 25
				22 00					4 58
				4 58					
				17 42					

DAVID LINCOLN

					1911			J. P.	
					Oct.	12	By Interest	12	16 00

OLIVER ARTHUR

					1911				
					Dec.	1	By Balance on baling hay	14	2 00

LOSS & GAIN

1911					1912			J. P. C.	
Nov.	29	To Stolen Fence	14	4 50	Jan.	1	By Equipment Account		838 00
Dec.	10	" Security	14	75 00	Jan.	1	" Discount Account		9 87
1912					Jan.	1	" Fence Account		8 50
Jan.	1	" Interest Account		17 42					
				96 92					856 37

Inventory, January 1st, 1912

Cash on hand (this includes C. of D. on Danville Bank, L. Moss' check, currency)		$ 1427 75
150 acres of land worth $80.00 per acre		12000 00
Amount in Danville Bank, subject to check		56 70
John Madison owes me, on account		1 00
Luke Harrison owes me, on account		1 00
T. D. Anderson owes me, on account		100 00
New York Milling Co. owes me, on account		75 00
Fence on hand, 100 rod, 11-48 @ 40c per rod	$ 40 00	
50 rod, 18-58 @ 50c per rod	25 00	
30 rod, 16-48 @ 45c per rod	13 50	
One set fence stretchers	10 00	
Freight on fence, on hand	2 50	
		$ 91 00
1250 bushels corn @ 40c per bushel	$ 500 00	
500 shocks fodder @ 12c per shock	60 00	
40 tons hay @ $15.00 per ton	600 00	
300 bushels wheat @ 80c per bushel	240 00	
200 bushels oats @ 50c per bushel	100 00	
100 bushels potatoes @ 80c per bushel	80 00	
6 horses @ $150.00 each	900 00	
One share in Percheron Horse Co.	200 00	
Two shares of Galena Oil @ Gas Co. stock @ $50.00 per share	100 00	
15 cattle @ $30.00 each	450 00	
40 hogs @ $15.00 each	600 00	
50 sheep @ $3.00 per head	150 00	
200 chickens @ 25c each	50 00	
Farm implements	200 00	
Total equipment		$ 4230 00
Proprietor's property on hand Jan. 1st, 1912		$17982 45
I owe Frank Adams, on account		$ 5 00
I owe Shelby Clay Co., on account		35 00
I owe Gilbert Polk, on account		8 00
I owe D. E. Baker, on account		2 00
I owe Galena Oil & Gas Co., on account		40 00
I owe David Lincoln, on account		16 00
I owe Oliver Arthur, on account		2 00
My note, outstanding (unpaid) favor John Durlin		100 00
Proprietor's debts Jan. 1st, 1912		$ 208 00

Closing the Ledger

In Double Entry bookkeeping the books will balance if the work is correct. In other words the sum of all **Debits** will equal the sum of all **Credits.**

Always take a **Trial Balance** before closing the **Ledger.**

Never **Close** the **Ledger** until it **Balances.**

How to take a Trial Balance: Draw a vertical line across a sheet of paper. Place all of the **Debits** you have made in the **Ledger** on the **Left Hand** side of the line. Place all of the **Credits** you have made in the Ledger on the **Right Hand** side of the line. Then place the total amount of **Expense** found in **Expense Column** in the **Journal** on the **Left Hand** side. Place the Amount of **Cash** on hand found on the **Debit** side of **Cash Account** on the **Left Hand** side of the line. Then place the total amount of **Income** found in **Income Column** on the **Right Hand** side of the line. Add the amounts on each side of the line. If the total amount is the same on both sides the work is correct. If they are not the same there is a mistake in the entries.

In taking a trial balance do not use any of the amounts taken from an inventory except from the one taken at the time the books were opened. The inventory taken at the time the books are closed must not be used in taking a trial balance. In other words use the amounts that have been **Posted** from the **Journal** to the **Ledger,** total expense, total income and the amount of cash on hand when the trial balance is taken.

Always take an **Inventory** of all Speculative Accounts before closing the **Ledger.**

If a Speculative Account has an inventory, place the amount of that inventory on the **Credit** side of the account, before closing that

account. For this inventory, consult inventory taken Jan. 1st, 1912.

The student should make a thorough study of the **Ruling** of each account and follow the explanation carefully.

REAL ESTATE

The first account in this Ledger is Real Estate. It is a Speculative Account and has an inventory of $12,000.00. Place that amount on the Credit side of the account. It can be seen at a glance that this account balances, therefore rule it by drawing a double line which indicates that the account is closed. Then bring the amount of the inventory down under the double line on the debit side. The account is then open for the following year.

BILLS RECEIVABLE

Draw a single line under the amounts of this account. Add the amounts on both sides of the account. The account balances, therefore draw a double line to show that the account is closed.

RALPH TAYLOR

It can be seen at a glance that this account balances, therefore draw a double line to show that the account is closed.

ANDREW HAMLIN

Draw a single line under the amounts. Add the amounts. This account balances, therefore draw a double line to show that the account is closed.

EQUIPMENT

This is a Speculative Account and has an inventory of $4230.00. Place this amount on the **Credit** side, draw a single line, bring both amounts down below the line, place the smaller sum under the larger, draw a line, subtract. The result is a **Credit** balance and exhibits a gain of $838.00. Draw a double line and bring the amount of the last inventory down on the **Debit** side below the double line.

PROPRIETOR

Do not close this account until all of the others have been closed.

FRANK ADAMS

Draw a line under the amounts, add both sides of the account, place the smaller number under the larger, draw a line, subtract, the result is a credit balance of $5.00. Bring the amount down below the line. This is the amount the Proprietor owes Frank Adams, Jan. 1st, 1912.

BILLS PAYABLE

Draw a line under the amounts, add both sides of the account, place the smaller sum under the larger, draw a line and subtract, the result shows a **Credit** balance of $100.00. This is the amount of notes the Proprietor has outstanding (unpaid) Jan. 1st, 1912.

JOHN MADISON

This account has only one entry. It is a **Debit**. No ruling is necessary in a case like this.

DANVILLE BANK

Draw a line under the amounts, add both sides of the account, place the smaller sum under the larger, draw a line and subtract. The result shows a **Debit** balance of $56.70. This is the amount the Proprietor has in the Danville Bank subject to check Jan. 1st, 1912.

SHELBY CLAY CO.

Draw a line under the amounts, bring the amounts down below the line, place the smaller under the larger, draw a line and subtract. The result shows a **Credit** balance of $35.00. The Proprietor owes that amount to the Shelby Clay Co. Jan. 1st, 1912.

LUKE HARRISON

Draw a line under the amounts, bring both amounts down below the line, place the smaller amount under the larger, draw a line and subtract. The result shows a **Debit** balance of $1.00. Luke Harrison owes the Proprietor that amount Jan. 1st, 1912.

M. E. CHURCH

It can be seen at a glance that this account balances, therefore draw a double line to show that the account is closed.

DISCOUNT

Draw a line under the amounts, add both sides of the account, place the smaller sum under the larger, draw a line and subtract. The result shows a **Credit** balance of $9.87. This is a gain to the Proprietor. Draw a double line to show that the account is closed. All accounts exhibiting a **Loss** or gain are closed in this manner.

FENCE ACCOUNT

This is a Speculative account and has an inventory of $91.00, according to the inventory taken Jan. 1st, 1912. Credit this account with that amount, draw a line under the amounts, add both sides of the account, place the smaller sum under the larger, draw a line and subtract. The result shows a **Credit** balance of $8.50. This is a gain to the Proprietor. Draw a double line to show that the account is closed and then bring down the amount of the inventory on the **Debit** side of the account.

OHIO FENCE CO.

It can be seen at a glance that this account balances, therefore, draw a double line to show that the account is closed.

JACOB JACKSON

Draw a line under the amounts, add both sides of the account. This account balances, therefore draw a double line to show that the account is closed.

JOSEPH GARFIELD

Draw a line under the amounts, add both sides of the account. The account balances, therefore draw a double line to show that the account is closed.

GILBERT POLK

This account shows a **Credit** balance of $8.00. The Proprietor owes Gilbert Polk that amount Jan. 1st, 1912. No ruling necessary.

T. D. ANDERSON

This account shows a **Debit** balance of $100.00. T. D. Anderson owes the Proprietor that amount. No ruling necessary.

D. E. BAKER

This account shows a **Credit** balance of $2.00. The Proprietor owes D. E. Baker that amount.

NEW YORK MILLING CO.

Draw a line under the amounts, bring both amounts down below the line, place the smaller amount under the larger, draw a line and subtract. The result shows a **Debit** balance of $75.00. The N. Y. Milling Co. owes the Proprietor that amount Jan. 1st, 1912.

GALENA OIL & GAS CO.

Draw a line under the amounts, add both sides of the account, place the smaller sum under the larger, draw a line and subtract, the result shows a **Credit** balance of $40.00 The Proprietor owes the Galena Oil & Gas Co. that amount Jan. 1st, 1912.

J. C. BUELL

It can be seen at a glance that this account balances, therefore draw a double line to show that the account is closed.

H. O. FRANKLIN

Draw a line, add both sides of the account. The account balances, therefore draw a double line to show that the account is closed.

INTEREST

Draw a line under the amounts, add both sides of the account, place the smaller sum under the larger, draw a line and subtract. The result shows a **Debit** balance of $17.42. This is a loss to the Proprietor. Draw a double line to show that the account is closed.

DAVID LINCOLN

This account shows a **Credit** balance of $16.00. The Proprietor owes David Lincoln that amount Jan. 1st, 1912. No ruling necessary.

OLIVER ARTHUR

This account shows a **Credit** balance of $2.00. The Proprietor owes Oliver Arthur that amount. No ruling necessary.

LOSS & GAIN

This account is one into which all other accounts that exhibit a Loss or Gain are closed. This account is also **Debited** for all unexpected **Losses** and **Credited** for all Unexpected **Gains.** When any **Speculative** account exhibits a **Loss,** this account is **Debited** for the balance. When a speculative account exhibits a **Gain,** this account is **Credited** for the balance. On Nov. 29th, this account was debited for $4.50 and on Dec. 10th it was debited for $75.00. In both of these cases the debits were made on account of **Unexpected Losses.** Equipment account exhibits a **Gain** of $838.00, therefore this account is **Credited** for that amount. **Discount** account exhibits a **Gain** of $9.87, therefore this account is **Credited** for that amount. Fence account exhibits a **Gain** of $8.50, therefore this account is **Credited** for that amount. Interest Account exhibits a **Loss** of $17.42, therefore this account is **Debited** for that amount. This account is now ready to **Close,** draw a line under the amounts, add both sides of the account, draw a double line to show that the account is closed.

This account does not balance. In a purely mercantile business **Loss** and **Gain** account will balance and will show the net loss or net gain. In keeping **Farm Accounts** this is different. It does not show the **Farmer's** net loss or net gain because the farmer raises products and sells them during the year and they are never invoiced. The farmer's **Net Gain** or **Net Loss** is the difference between the amount of the **Invoice** taken when the books were opened, and the one taken when they are closed. In keeping **Farm Accounts, Loss** and **Gain Account** is simply an account under which a list of losses and gains are kept.

PROPRIETOR'S ACCOUNT

This account was debited for the amount of the Proprietor's debts, and credited for the amount of his investment Jan. 1st, 1911, when the books were opened. It was debited for the value of the Proprietor's property, and credited for the amount of his debts when the books were closed Jan. 1st, 1912. Draw a line under the amounts. Add both sides of the account. Place the smaller number under the larger, and subtract. The difference is $1342.00. This amount is the **Proprietor's Net Gain.**

Draw a double line to show that the account is closed. Then place the amount of the proprietor's debts on the debit side, and the amount of his investment on the credit side. This account is now open for the following year.

Explanation of Monthly Sales Sheet

We have provided a **Monthly Sales Sheet** for the farmer who wishes to know the exact amount he receives from each of the various kinds of products sold from the farm.

By keeping a Monthly Sales Sheet, the farmer has a record of the total amount received for each kind of products sold during each month, and the total amount received for each kind of products during the year. It also shows the total amount of sales during each month for all products sold, and the total amount of sales during the entire year.

HOW TO KEEP A MONTHLY SALES SHEET

At the expiration of each month consult The Farm Record Book or Journal to ascertain the amount received for each kind of products during that month. For instance, by referring to the Journal we find that $16.00 was received for clover seed during January. Place that amount in January Column opposite the word "clover seed", which is written on the first line. If you had sold clover seed several times during January all of the amounts received would have been added and the total amount put in January Column opposite the name of the article sold "clover seed." Proceed in like manner with each kind of products sold during the month. Proceed in the same way at the end of each month during the year.

Place the total amount received for each kind of articles in the "total column" at the right hand side of the page. This will show the total amount received for each kind of products for the entire year. Add the amounts in each of the **Monthly Column** and place the amounts at the bottom of the page in their respective columns, that will show the total amount of sales for each month.

The sum of the amounts at the bottom of the page should equal the sum of the amounts in **Total Column** at the right hand side of the page. That amount is the grand total amount of all sales made during the year. This amount will not necessarily be identical to the amount in **Income Column** in the Journal, for in that column is kept the entire income, except interest, discount and profits on speculative accounts, while only the amount of sales of farm products are kept in the Monthly Sales Sheet.

To ascertain the **Farmer's Net Gain** consult Proprietor's Account.

This same form can be used for keeping an itemized account of expenses.

MONTHLY SALES SHEET

Name of Article	JANUARY	FEBRUARY	MARCH	APRIL	MAY	JUNE	JULY	AUGUST	SEPTEMBER	OCTOBER	NOVEMBER	DECEMBER	TOTAL
Clover Seed	16 00										100 00		116 00
Beef	1 00												1 00
Hogs		35 00				25 00			240 00			20 00	320 00
Wheat		80 000				100 00							180 00
Corn		150 00					25 00			5 00			180 00
Potatoes			1 00										1 00
Oats				15 00									15 00
Pasture				10 00									10 00
Hay					300 00							180 00	480 00
Milk						15 00							15 00
Butter												1 00	1 00
Cattle							10 00		5 00	200 00			215 00
Onions								1 00					1 00
Flour										5 00			5 00
Eggs											4 00	2 00	6 00
Total	17 00	265 00	1 00	25 00	300 00	140 00	35 00	1 00	245 00	210 00	104 00	203 00	1546 00

Partnership.

It is difficult to lay down rules which will apply to all forms of partnership, however the fundamental principles of bookkeeping are to debit persons when they receive values on account and credit them when they furnish values on account. **Debit** each partner for the amount of values he receives from the business and **Credit** each partner for the amount of values he puts into the business.

In case you rent a farm for cash, debit the landlord whenever you pay him cash for rent or when you furnish him values of any kind to apply on rent. If you pay him by bank check, credit the bank on which you issued the check. If you pay him by note, credit Bills Payable account. If you pay him with farm products or labor, credit Income account. Credit the landlord for the amount of the rent when it is due. If it is all due at the end of the year, credit him at that time for the whole amount. If it is to be paid in installments, credit him when each installment is due, for the amount of the installment.

In case the landlord and tenant own the live stock, implements, and farm products together, credit each partner with the amount of property he puts into the partnership and debit Equipment Account for the whole amount. Debit each partner with the amount of the partnership property he receives.

There are two ways of renting for grain rent. The landlord and tenant either divide the products or sell them and divide the money. If they divide the products before selling them, each party should keep a memorandum of the quantity that each person receives. If the products are sold and the money divided, debit Cash and credit Income when the products are sold. Debit each party for the amount of the money he receives and credit Cash for the whole amount.

Miscellaneous Suggestions.

In closing ledger accounts, it will add to the appearance of the work, to rule with red ink.

If you wish to keep an individual stock record, that is, if you want an account which will show the expense and income of a certain cow, for instance; open an account under the name or number of the cow just like you would any personal account. Debit the account for all of the expense she makes and credit the account for all the income she produces.

If you wish to know the rate of income on your investment, invoice your property and debts when the books are opened and when closed. See Proprietor's Account in ledger for further information.

In case you do not care to know what your investment is or the rate of loss or gain on the net investment, it is not necessary to take an inventory. Some farmers just want a record of their sales, income, and personal accounts.

To find the rate of gain; divide the net gain by 1% of the net investment. The rate of gain in the set of transactions which has been worked out, is 8%-|-. See illustration below:

$16,582.00—investment.
150.00—debts.
16,432.00—net investment.
1,342.00—net gain, per **Proprietor's Account** in ledger.

1% of $16,432.00=$164.32.
$1,342.00÷164.32=8%-|-, gain on net investment.

Transactions for Practice.

When this text is used in the class room, the pupils should work out the following set of transactions after they thoroughly understand how to make the entries to the set which the author has used to teach the principles of bookkeeping.

The dates to these transactions have been omitted. They should be filled in by the student.

On opening my books this day, my inventory is as follows:

Cash on hand	$500.00
Amount in First National Bank subject to check	500.00
John Jones owes me on account	100.00
I have Bill Fravel's note, payable on demand, without interest	200.00
My equipment is worth	800.00
I owe F. D. Searles on account	400.00
I have a note outstanding, payable to C. E. Blink, due one day from date without interest	200.00

Sold Charles Wilson 10 bushels of corn @ $1.00 per bushel, for cash.

Paid S. J. Mike, for groceries, cash $2.00.

Sold John Edison on account, 2 bushels of clover seed @ $5.00 per bushel.

Bought of Brown Clay Co., on account, 100 rods of 4 inch tile @ 25c per rod.

John Jones paid Brown Clay Co. for me on account, $20.00.

Sold 40 bushels of wheat to Sam Smoke, @ $1.00 per bushel, for his check on Hood's Bank.

Deposited Sam Smoke's check for $40.00 in First National Bank, subject to check.

Bill Fravel paid his note with cash, $200.00.

Deposited cash in First National Bank, subject to check, $100.00.

Paid $1.00 cash to Daily News for subscription.

Bought of Jacob Bale, 100 rods of fence @ 40c per rod to be used on my farm; gave him my check on First National Bank.

Paid Lida Mills cash for doing housework, 5 days @ $1.00 per day.

Paid cash for 10 gallons of Lime-Sulfur solution @ 20c per gallon.

Gave the Bell Telephone Co. my check on First National Bank for $3.00 to pay telephone rent for three months.

H. M. Kile shod my horses, on account, $2.00.

J. C. Smith shore 100 sheep for me @ 10c. per head; I gave him a calf for his pay.

I put $2.00 in the church collection to apply on janitor's salary.

Bought 100 sheep of John Love @ $3.00 per head; gave him my note due in one year, bear-interest at the rate of 6% per annum.

Bought 20 hogs of Sam Flea @ $4.00 each; gave him my order on John Jones for $80.00.

I lost $20.00 cash, out of my pocket.

I found $50.00 cash, on the street.

RESULT OF ABOVE TRANSACTIONS

On closing my books I find my business in the following condition:

Cash on hand	$ 628.00
Amount in First National Bank subject to check	597.00
I own Equipment worth (per inventory)	1,500.00
John Edison owes me	10.00
I owe F. D. Searles	400.00
I owe H. M. Kile	2.00
I owe Brown Clay Co.	5.00
I have notes outstanding amounting to	500.00

John Jones' account balances.

Bills Receivable account balances.

Equipment Account shows a credit balance of $700.00.

Loss & Gain account was debited for $20.00, unexpected loss. It was credited for $50.00 unexpected gain, it was also credited by Equipment account for $700.00.

Proprietor's **Net Loss**	$328.00
My expense was	472.00
My income was	70.00
Paid for labor	15.00

The teacher may give the pupils more transactions if he thinks it is necessary.

Questions for Review.

1. What is bookkeeping?
2. What is single entry bookkeeping?
3. What is double entry bookkeeping?
4. What is a bookkeeper?
5. Of what does the record of a transaction consist?
6. What is keeping farm accounts?
7. What is a farm record book?
8. What is a journal?
9. What is a ledger?
10. What is a business transaction?
11. What is an account?
12. How many sides has an account? Name them.
13. How do you debit an account?
14. How do you credit an account?
15. What is cash?
16. When should Cash account be debited? When credited?
17. What is interest?
18. When should interest account be debited? When credited?
19. What is a bank account?
20. What is freight?
21. What is drayage?
22. What is discount?
23. What is a note?
24. What is a negotiable note? Non-negotiable note?
25. What is a contract?
26. What is a bank deposit?
27. What is a certificate of deposit?
28. What is a time certificate of deposit?
29. What is insurance?
30. What is fire insurance? Life insurance?
31. What is a contract?
32. What do we mean by shares of stock?
33. What is a dividend
34. What is an inventory?
35. What is a rebate?
36. What is a draft?
37. How many persons are considered in a draft? Name them?
38. Who is the drawer? Drawee? Payee?
39. Name the different kind of drafts.
40. What is a sight draft? Time draft?
41. What is an order?
42. What is the difference between a draft and an order?
43. What is a post office money order?
44. What is an express money order?
45. What do you understand by buying on account? Selling on account?
46. What do we mean by Sundry Personal accounts?
47. What accounts are kept in Sundry Personal Accounts column?
48. What is Expense account?
49. What is Labor account?
50. What is Income account?
51. What is Cash account?
52. What is a Proprietor's account?
53. When is Proprietor's account debited? When credited?
54. What is a Personal account?
55. When is a Personal account debited? When credited?
56. What is Real Estate account?
57. When is a Realestate account debited? When credited?
58. What is a Bank account?
59. When is a Bank account debited? When credited?
60. What is an Interest account?
61. When is Interest account debited? When credited?
62. What is Discount account?
63. When is Discount account debited? When credited?
64. What is Loss & Gain account?
65. When is Loss & Gain account debited? When credited?
66. What is Bills Receivable account?
67. When is Bills Receivable account debited? When credited?
68. What is Bills Payable account?
69. When is Bills Payable account debited? When credited?
70. What is Equipment account?
71. When is Equipment account debited? When credited?
72. What is merchandise?
73. What do we mean by closing a ledger?
74. What is a trial balance?
75. How do we take a trial balance?
76. Name the columns in this journal.
77. Name the columns in this ledger.
78. What is a monthly sales sheet?

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